



CONGRESSIONAL QUARTERLY  
**Weekly Report**

REPRODUCTION PROHIBITED IN WHOLE OR IN PART

VOL. XVI  
PAGES 29-48

WEEK ENDING JAN. 10, 1958

**No. 2**

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*The Authoritative Reference on Congress*

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# Congressional Boxscore

## MAJOR LEGISLATION IN 85th CONGRESS

As of Jan. 10, 1958

BILL	HOUSE		SENATE		SIGNED
Reciprocal Trade					
OTC Membership (HR 6630)					
Foreign Aid					
Immigration Law Revision					
Military Pay Raises					
Postal Pay Raise					
Classified Pay Raise					
Atomic Secrets Sharing					
Surplus Disposal					
Excise, Corporation Taxes					
Debt Ceiling Raise					
Postal Rate Increase (HR 5836)	Reported 6/3/57	Passed 8/13/57	Hearings Underway		
Education Aid					
Atomic Power Program					
Labor Regulation					
Small Business Administration (HR 7963)	Reported 6/13/57	Passed 6/25/57			
Health Insurance					
Natural Gas Regulation (HR 8525)	Reported 7/19/57				
Rivers, Harbors (S 497)	Reported 8/13/57		Reported 3/25/57	Passed 3/28/57	
Presidential Disability					
Alaska Statehood (S 49) (HR 7999)	Reported 6/25/57		Reported 8/30/57		
Hawaii Statehood (S 50) (HR 49)	Hearings Completed		Reported 8/30/57		
TVA Financing (S 1869) (HR 4266)	Reported 8/13/57		Reported 7/2/57	Passed 8/9/57	

# Presidential Report

## STATE OF THE UNION TALK PROPOSES 'SAFETY THROUGH STRENGTH'

Following is the prepared text of President Eisenhower's Jan. 9 State of the Union message:

MR. PRESIDENT, MR. SPEAKER,  
MEMBERS OF THE 85th CONGRESS:

It is again my high privilege to extend personal greetings to the Members of the 85th Congress.

All of us realize that, as this new session begins, many Americans are troubled about recent world developments which they believe may threaten our Nation's safety. Honest men differ in their appraisal of America's material and intellectual strength, and the dangers that confront us. But all know these dangers are real.

The purpose of this message is to outline the measures that can give the American people a confidence -- just as real -- in their own security.

I am not here to justify the past, gloss over the problems of the present or propose easy solutions for the future.

I am here to state what I believe to be right and what I believe to be wrong; and to propose action for correcting what I think wrong!

### I.

There are two tasks confronting us that so far outweigh all others that I shall devote this year's message entirely to them. The first is to ensure our safety through strength.

As to our strength, I have repeatedly voiced this conviction: We now have a broadly based and efficient defensive strength, including a great deterrent power, which is, for the present, our main guarantee against war; but, unless we act wisely and promptly, we could lose that capacity to deter attack or defend ourselves.

My profoundest conviction is that the American people will say, as one man: No matter what the exertions or sacrifices, we shall maintain that necessary strength!

But we could make no more tragic mistake than merely to concentrate on military strength.

For if we did only this, the future would hold nothing for the world but an Age of Terror.

And so our second task is to do the constructive work of building a genuine peace. We must never become so preoccupied with our desire for military strength that we neglect those areas of economic development, trade, diplomacy, education, ideas and principles where the foundations of real peace must be laid.

### II.

The threat to our safety, and to the hope of a peaceful world, can be simply stated. It is Communist imperialism.

This threat is not something imagined by critics of the Soviets. Soviet spokesmen, from the beginning, have publicly and frequently declared their aim to expand their power, one way or another, throughout the world.

The threat has become increasingly serious as this expansionist aim has been reinforced by an advancing industrial, military and scientific establishment.

But what makes the Soviet threat unique in history is its inclusiveness. Every human activity is pressed into service as a weapon of expansion. Trade, economic development, military power, arts, science, education, the whole world of ideas -- all are harnessed to this same chariot of expansion.

The Soviets are, in short, waging total cold war.

The only answer to a regime that wages total cold war is to wage total peace.

This means bringing to bear every asset of our personal and national lives upon the task of building the conditions in which security and peace can grow.

### III.

Among our assets, let us first briefly glance at our military power.

Military power serves the cause of security by making prohibitive the cost of any aggressive attack.

It serves the cause of peace by holding up a shield behind which the patient constructive work of peace can go on.

But it can serve neither cause if we make either of two mistakes. The one would be to overestimate our strength, and thus neglect crucially important actions in the period just ahead. The other would be to underestimate our strength. Thereby we might be tempted to become irresolute in our foreign relations, to dishearten our friends, and to lose our national poise and perspective in approaching the complex problems ahead.

Any orderly balance-sheet of military strength must be in two parts. The first is the position as of today. The second is the position in the period ahead.

As of today: our defensive shield comprehends a vast complex of ground, sea and air units, superbly equipped and strategically deployed around the world. The most powerful deterrent to war in the world today lies in the retaliatory power of our Strategic Air Command and the aircraft of our Navy. They present to any potential attacker who would unleash war upon the world the prospect of virtual annihilation of his own country.

Even if we assume a surprise attack on our bases, with a marked reduction in our striking power, our bombers would immediately be on their way in sufficient strength to accomplish this mission of retaliation. Every informed government knows this. It is no secret.

Since the Korean Armistice, the American people have spent \$225 billion in maintaining and strengthening this over-all defensive shield.

This is the position as of today.

Now as to the period ahead: Every part of our military establishment must and will be equipped to do its defensive job with the most modern weapons and methods. But it is particularly important to our planning that we make a candid estimate of the effect of long-range ballistic missiles on the present deterrent power I have described.

At this moment, the consensus of opinion is that we are probably somewhat behind the Soviets in some areas of long-range ballistic missile development. But it is my conviction, based on close study of all relevant intelligence, that if we make the necessary effort, we will have the missiles, in the needed quantity and in time, to sustain and strengthen the deterrent power of our increasingly efficient bombers. One encouraging fact evidencing this ability is the rate of progress we have achieved since we began to concentrate on these missiles.

The intermediate ballistic missiles Thor and Jupiter, have already been ordered into production. The parallel progress in the intercontinental ballistic missile effort will be advanced by our plans for acceleration. The development of the submarine-based Polaris missile system has progressed so well that its future procurement schedules are being moved forward markedly.

When it is remembered that our country has concentrated on the development of ballistic missiles for only about a third as long as the Soviets, these achievements show a rate of progress that speaks for itself. Only a brief time back, we were spending at the rate of only about one million dollars a year on long-range ballistic missiles. In 1957 we spent more than one billion dollars on the Atlas, Titan, Thor, Jupiter and Polaris programs alone.

But I repeat, gratifying though this rate of progress is, we must still do more!

Our real problem, then, is not our strength today; it is rather the vital necessity of action today to ensure our strength tomorrow.

\*\*\*\*\*

What I have just said applies to our strength as a single country. But we are not alone. I have returned from the recent NATO meeting with renewed conviction that, because we are a part of a world-wide community of free and peaceful nations, our own security is immeasurably increased.

By contrast, the Soviet Union has surrounded itself with captive and sullen nations. Like a crack in the crust of an uneasily sleeping volcano, the Hungarian uprising revealed the depth and intensity of the patriotic longing for liberty that still burns within these countries.

The world thinks of us as a country which is strong, but which will never start a war. The world also thinks of us as a land which has never enslaved anyone and which is animated by humane ideals. This friendship, based on common ideals, is one of our greatest sources of strength.

It cements into a cohesive security arrangement the aggregate of the spiritual, military and economic strength of all those nations which, with us, are allied by treaties and agreements.

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Up to this point, I have talked solely about our military strength to deter a possible future war.

I now want to talk about the strength we need to win a different kind of war -- one that has already been launched against us.

It is the massive economic offensive that has been mounted by the Communist imperialists against free nations.

The Communist imperialist regimes have for some time been largely frustrated in their attempts at expansion based directly on force. As a result, they have begun to concentrate heavily on economic penetration, particularly of newly developing countries, as a preliminary to political domination.

This non-military drive, if underestimated, could defeat the free world regardless of our military strength. This danger is all the greater precisely because many of us fail or refuse to recognize it. Thus, some people may be tempted to finance our extra military effort by cutting economic assistance. But at the very time when the economic threat is assuming menacing proportions, to fail to strengthen our own effort would be nothing less than reckless folly!

Admittedly, most of us did not anticipate the psychological impact upon the world of the launching of the first earth satellite. Let us not make the same kind of mistake in another field, by failing to anticipate the much more serious impact of the Soviet economic offensive.

As with our military potential, our economic assets are more than equal to the task. Our independent farmers produce an abundance of food and fibre. Our free workers are versatile, intelligent and hard-working. Our businessmen are imaginative and resourceful. The productivity, the adaptability of the American economy is the solid foundation-stone of our security structure.

We have just concluded another prosperous year. Our output was once more the greatest in the Nation's history. In the latter part of the year, some decline in employment and output occurred, following the exceptionally rapid expansion of recent years. In a free economy, reflecting as it does the independent judgments of millions of people, growth typically moves forward unevenly. But the basic forces of growth remain unimpaired. There are solid grounds for confidence that economic growth will be resumed without an extended interruption. Moreover, the Federal Government, constantly alert to signs of weakening in any part of our economy, always stands ready, with its full power, to take any appropriate further action to promote renewed business expansion.

If our history teaches us anything, it is this lesson: so far as the economic potential of our Nation is concerned, the believers in the future of America have always been the realists.

I count myself as one of this company.

Our long-range problem, then, is not the stamina of our enormous engine of production. Our problem is to make sure that we use these vast economic forces confidently and creatively, not only in direct military defense efforts, but likewise in our foreign policy, through such activities as mutual economic aid and foreign trade.

In much the same way, we have tremendous potential resources on other non-military fronts to help in countering the Soviet threat: education, science, research and, not least, the ideas and principles by which we live. And in all these cases the task ahead is to bring these resources more sharply to bear upon the new tasks of security and peace in a swiftly changing world.

#### IV.

There are many items in the Administration's program, of a kind frequently included in a State of the Union Message, with which I am not dealing today. They are important to us and to our prosperity. But I am reserving them for treatment in separate communications because of my purpose today of speaking only about matters bearing directly upon our security and peace.

I now place before you an outline of action designed to focus our resources upon the two tasks of security and peace.

In this special category I list eight items requiring action. They are not merely desirable. They are imperative.

#### 1.

#### DEFENSE REORGANIZATION

The first need is to assure ourselves that military organization facilitates rather than hinders the functioning of the military establishment in maintaining the security of the Nation.

Since World War II, the purpose of achieving maximum organizational efficiency in a modern defense establishment has several times occasioned action by the Congress and by the Executive.

The advent of revolutionary new devices, bringing with them the problem of over-all continental defense, creates new difficulties, reminiscent of those attending the advent of the airplane half a century ago.

Some of the important new weapons which technology has produced do not fit into any existing service pattern. They cut across all services, involve all services and transcend all services, at every stage from development to operation. In some instances they defy classification according to branch of service.

Unfortunately, the uncertainties resulting from such a situation, and the jurisdictional disputes attending upon it, tend to bewilder and confuse the public and create the impression that service differences are damaging the national interest.

Let us proudly remember that the members of the Armed Forces give their basic allegiance solely to the United States. Of that fact all of us are certain. But pride of service and mistaken zeal in promoting particular doctrine has more than once occasioned the kind of difficulty of which I have just spoken.

I am not attempting today to pass judgment on the charge of harmful service rivalries. But one thing is sure. Whatever they are, America wants them stopped.

Recently I have had under special study the never-ending problem of efficient organization, complicated as it is by new weapons. Soon my own conclusions will be finalized. I shall promptly take such Executive action as is necessary and, in a separate message, I shall present appropriate recommendations to the Congress.

Meanwhile, without anticipating the detailed form that a reorganization should take, I can state its main lines in terms of objectives:

A major purpose of military organization is to achieve real unity in the defense establishment in all the principal features of military activity. Of all these one of the most important to our Nation's security is strategic planning and control. This work must be done under unified direction.

The defense structure must be one which, as a whole, can assume, with top efficiency and without friction, the defense of America. The defense establishment must therefore plan for a better integration of its defensive resources, particularly with respect to the newer weapons now building and under development. These obviously require full coordination in their development, production and use. Good organization can help assure this coordination.

In recognition of the need for single control in some of our most advanced development projects, the Secretary of Defense has already decided to concentrate into one organization all the anti-missile and satellite technology undertaken within the Department of Defense.

Another requirement of military organization is a clear subordination of the military services to duly constituted civilian authority. This control must be real; not merely on the surface.

Next there must be assurance that an excessive number of compartments in organization will not create costly and confusing compartments in our scientific and industrial effort.



Finally, to end inter-service disputes requires clear organization and decisive central direction, supported by the unstinted cooperation of every individual in the defense establishment, civilian and military.

2.

ACCELERATED DEFENSE EFFORT

The second major action item is the acceleration of the defense effort in particular areas affected by the fast pace of scientific and technological advance.

Some of the points at which improved and increased effort are most essential are these:

- We must have sure warning in case of attack. The improvement of warning equipment is becoming increasingly important as we approach the period when long-range missiles will come into use.
- We must protect and disperse our striking forces and increase their readiness for instant reaction. This means more base facilities and stand-by crews.
- We must maintain deterrent retaliatory power. This means, among other things, stepped-up long-range missile programs; accelerated programs for other effective missile systems; and, for some years, more advanced aircraft.
- We must maintain freedom of the seas. This means nuclear submarines and cruisers; improved anti-submarine weapons; missile ships; and the like.
- We must maintain all necessary types of mobile forces to deal with local conflicts, should there be need. This means further improvements in equipment, mobility, tactics and fire power.
- Through increases in pay and incentive, we must maintain in the armed forces the skilled manpower modern military forces require.
- We must be forward-looking in our research and development to anticipate and achieve the unimagined weapons of the future.
- With these and other improvements, we intend to assure that our vigilance, power and technical excellence keep abreast of any realistic threat we face.

3.

MUTUAL AID

Third: We must continue to strengthen our mutual security efforts.

Most people now realize that our programs of military aid and defense support are an integral part of our own defense effort. If the foundations of the Free World structure were progressively allowed to crumble under the pressure of Communist imperialism, the entire house of freedom would be in danger of collapse.

As for the mutual economic assistance program, the benefit to us is threefold. First, the countries receiving this aid become bulwarks against Communist encroachment as their military defenses and economies are strengthened. Nations that are conscious of a steady improvement in their industry, education, health and standard of living are not apt to fall prey to the blandishments of Communist imperialists.

Second, these countries are helped to reach the point where mutually profitable trade can expand between them and us.

Third, the mutual confidence that comes from working together on constructive projects creates an atmosphere in which real understanding and peace can flourish.

To help bring these multiple benefits, our economic aid effort should be made more effective.

In proposals for future economic aid, I am stressing a greater use of repayable loans, through the Development Loan Fund, through funds generated by sale of surplus farm products, and through the Export-Import Bank.

While some increase in Government funds will be required, it remains our objective to encourage shifting to the use of private capital sources as rapidly as possible.

One great obstacle to the economic aid program in the past has been, not a rational argument against it on the merits, but a catchword: "give-away program."

The real fact is that no investment we make in our own security and peace can pay us greater dividends than necessary amounts of economic aid to friendly nations.

This is no "give-away."

Let's stick to facts!

We cannot afford to have one of our most essential security programs shot down with a slogan!

4.

MUTUAL TRADE

Fourth: Both in our national interest, and in the interest of world peace, we must have a five-year extension of the Trade Agreements Act with broadened authority to negotiate.

World trade supports a significant segment of American industry and agriculture. It provides employment for four and one-half million American workers. It helps supply our ever increasing demand for raw materials. It provides the opportunity for American free enterprise to develop on a worldwide scale. It strengthens our friends and increases their desire to be friends. World trade helps to lay the groundwork for peace by making all free nations of the world stronger and more self-reliant.

America is today the world's greatest trading nation. If we use this great asset wisely to meet the expanding demands of the world, we shall not only provide future opportunities for our own business, agriculture, and labor, but in the process strengthen our security posture and other prospects for a prosperous, harmonious world.

As President McKinley said, as long ago as 1901:

"Isolation is no longer possible or desirable.... The period of exclusiveness is past."

5.

SCIENTIFIC COOPERATION WITH OUR ALLIES

Fifth: It is of the highest importance that the Congress enact the necessary legislation to enable us to exchange appropriate scientific and technical information with friendly countries as part of our effort to achieve effective scientific cooperation.

It is wasteful in the extreme for friendly allies to consume talent and money in solving problems that their friends have already solved -- all because of artificial barriers to sharing. We cannot afford to cut ourselves off from the brilliant talents and minds of scientists in friendly countries. The task ahead will be hard enough without handcuffs of our own making.

The groundwork for this kind of cooperation has already been laid in discussions among NATO countries. Promptness in following through with legislation will be the best possible evidence of American unity of purpose in cooperating with our friends.

6.

EDUCATION AND RESEARCH

Sixth: In the area of education and research, I recommend a balanced program to improve our resources, involving an investment of about a billion dollars over a four-year period. This involves new activities by the Department of Health, Education and Welfare designed principally to encourage improved teaching quality and student opportunities in the interests of national security. It also provides a five-fold increase in sums available to the National Science Foundation for its special activities in stimulating and improving science education.

Scrupulous attention has been paid to maintaining local control of educational policy, spurring the maximum amount of local effort, and to avoiding undue stress on the physical sciences at the expense of other branches of learning.

In the field of research, I am asking for substantial increases in basic research funds, including a doubling of the funds available to the National Science Foundation for this purpose.

But Federal action can do only a part of the job. In both education and research, redoubled exertions will be necessary on the part of all Americans if we are to rise to the demands of our times. This means hard work on the part of state and local governments, private industry, schools and colleges, private organizations and foundations, teachers, parents and -- perhaps most important of all -- the student himself, with his bag of books and his homework.

With this kind of all-inclusive campaign, I have no doubt that we can create the intellectual capital we need for the years ahead, invest it in the right places -- and do all this, not as regimented pawns, but as free men and women!

(State of the Union, Continued on p. 48)

# Pressures On Congress

## EDUCATORS MAP PROGRAM

The Educational Policies Commission of the National Education Assn. and the American Assn. of School Administrators Jan. 2 called for a "substantial breakthrough in educational finance" to improve the Nation's education system.

The commission, comprised of 19 educators, did not say how much should be spent to improve education, but did say spending should be at least doubled over the next 10 years. In a 31-page report it called "The Contemporary Challenge to American Education," the commission called for a three phase program:

- "For the short run the emphasis should be on higher education, particularly at the graduate level...."
- "Intermediate-range programs are needed at both the secondary and higher level in the area of recruitment, training and retraining of teachers in most subject matter fields...."
- "The long-term need is for improved underpinning of the entire enterprise of American education, beginning at its foundation point in the elementary schools.... The real need is for an infusion of public and private support on a massive scale. At the minimum, expenditures on education should be doubled within a decade...."

The commission cautioned against imitating the Soviet system of education which "creates an intellectual and technological elite which wields power and controls opinion in the nation."

"The quality of American public schools is uneven," the commission said. "The deficiencies are most urgent in the following areas: there must be better educational opportunities for the academically able students; there must be better counselling and guidance; there must be improvements in the selection and education of teachers; there must be improvement in the working condition of teachers and in their social prestige and economic status; there must be more and better equipped school and college buildings; and there must be improvements in instruction in all subjects."

"The highest single priority in responding to the contemporary challenge to American education is the recruitment, education and retention in the profession of qualified teachers." The commission said money alone would not do the job. Other things needed are "improved instructional facilities" and fewer pupils and class hours for overburdened teachers.

The commission said gifted children should be selected early in their school life so they can develop their talents fully. Improved guidance programs, the commission said, would help pick out these students by the time they finish the eighth grade. Gifted pupils should be given heavier courses, the commission said, concluding, "the challenge before the American people calls on them to evaluate their schools and help improve them."

## Pressure Points

### NAACP AGAINST COOLING-OFF PERIOD

The National Assn. for the Advancement of Colored People Jan. 6 said it would "push ahead with renewed fervor" to achieve school integration and increase Negro voting. A report to the group's annual meeting at New York City from NAACP general counsel, Robert L. Carter, said "we must not pause in our effort to remove all vestiges of segregation and discrimination in our local communities.... Talk of moderation and 'cooling off' is sheer nonsense." Executive Secretary Roy Wilkins said "we are already going slowly, according to law and order. Ninety-three years have passed since emancipation.... We think the time is long overdue for us and our children to enjoy these rights." Clarence Mitchell, NAACP Washington bureau director, said that Negroes have "turned the corner" and "are now on freedom street." He predicted Negroes will be elected to Congress from the South in 1960.

### EDUCATION VIEWS

Carl J. Megel, president of the American Federation of Teachers (AFL-CIO), Jan. 3 said the Eisenhower Administration's education program overlooked "the education of all children for national strength and peaceful leadership, in favor of a program to develop only military monsters...by emphasis on science and mathematics alone." Megel said at least \$16 billion was needed to bring the public school system up to date. He said the Administration's proposal to spend \$1 billion in Federal funds on education was "many years too late and insufficient to solve the whole issue of the future." (Weekly Report, p. 26)

Mortimer Smith, executive secretary of the Council for Basic Education, Jan. 4 said the Administration program failed "to meet the real problems." Smith said it did not "recognize that most of the educational difficulties it now hopes to alleviate are traceable to the 'soft' theory of education that has prevailed in public schools for 30 or more years." He said American education needed a "thorough reappraisal of...principles, or lack thereof ...that would cost nothing but work."

### MUNICIPAL ASSN. WANTS RENEWAL FUNDS

The American Municipal Assn. Jan. 4 urged President Eisenhower to release \$150 million of authorized urban renewal funds. The group said the funds had been "immobilized by administrative action." Mayor George Christopher (R) of San Francisco, president, wrote President Eisenhower that urban renewal needs of cities would total more than \$490 million in 1958. He said cities' needs over the next 10 years were estimated at a minimum of \$3 billion. Christopher said the estimates were based on information from 236 cities. (Weekly Report, p. 45)

## RIVER, HARBOR DEVELOPMENT

The National Rivers and Harbors Congress Jan. 4 said the United States could "afford both an adequate space age defense and an expanded program of internal development." At a special board meeting held in Washington, D.C., Rep. Overton Brooks (D La.), president, urged the Rivers and Harbors Congress to lead a movement against "unwarranted and unthinking cuts" in waterway development funds. He said a "reasonable" water resources program would provide about \$750 million for flood control and navigation, about \$250 million for reclamation and irrigation.

In resolutions adopted Jan. 6, the board:

Opposed cuts in construction funds from projects already started or for which money has been voted.

Denounced any arbitrary ban on new projects.

Urged future construction of water projects costing about \$1.5 billion.

Objected to reducing the water development program "to further a foreign aid program."

## Lobbyist Registrations

Eleven registrations were filed under the Federal Regulation of Lobbying Act between Nov. 19, 1957 - Jan. 3, 1958. Registrations are listed by category (with employers listed alphabetically): Business, Citizens, Farm, Foreign, Individuals, Labor, Military and Veterans and Professional. Where certain information is not listed (such as compensation or legislative interest), such information was not filed by the registrant.

### Business Groups

• **EMPLOYERS** -- Amherst Coal Co., Charleston, W. Va.; Bledsoe, Walter & Co., Terre Haute, Ind.; Eastern Gas & Fuel Associates, coal division, Pittsburgh, Pa.; Freeman Coal Mining Corp., Chicago, Ill.; Island Creek Coal Co., Huntington, W. Va.; Peabody Coal Co., St. Louis, Mo.; Pittsburgh Consolidated Coal Cos., Pittsburgh, Pa.; The Pittston Co., New York, N.Y.; Rochester & Pittsburgh Coal Co., Indiana, Pa.; South-East Coal Co., Paintsville, Ky.; Stonega Coke & Coal Co., Philadelphia, Pa.; Truax-Traer Coal Co., Chicago, Ill.; United Electric Coal Co., Chicago, Ill.; West Kentucky Coal Co., Madisonville, Ky.

Registrant -- LOUIS H. RENFROW, consultant, 1000 Connecticut Ave. N.W., Washington, D.C. Filed 1/3/58.

Legislative Interest -- "Legislation affecting the bituminous coal industry."

Compensation -- \$20,000 yearly, plus expenses.

• **EMPLOYER** -- General Petroleum Corp., 612 S. Flower St., Los Angeles, Calif.

Registrant -- WILLON A. HENDERSON, lawyer, 612 S. Flower St., Los Angeles, Calif. Filed 11/19/57.

Legislative Interest -- "Matters of concern to the interests of employer."

• **EMPLOYER** -- Independent Natural Gas Assn. of America, 918 16th St. N.W., Washington, D.C.

Registrant -- WILLIAM T. HUFF, 918 16th St. N.W., Washington, D.C. Filed 1/2/58.

Legislative Interest -- "Any legislation pertaining to natural gas."

Compensation -- \$5,000 yearly.

• **EMPLOYER** -- National Beef Council, 406 W. 34th, Kansas City, Mo.

Registrant -- DONALD BARTLETT, cattleman, Como, Miss. Filed 11/22/57.

Legislative Interest -- In favor of HR 7244, providing for "clarification of the Packers and Stockyards Act to permit voluntary deductions from proceeds of sale."

• **EMPLOYER** -- Ronson Corp., 31 Fulton St., Newark, N.J.

1. Registrant -- GUSTAVE L. GOLDSTEIN, Citizens National Bank Bldg., 453 S. Spring St., Los Angeles, Calif. Filed 12/20/57.

Legislative Interest -- In favor of removing excise taxes from the sale of mechanical cigarette, pipe and cigar lighters.

2. Registrant -- HARRY L. TEPPER, general counsel, 31 Fulton St., Newark, N.J. Filed 12/20/57.

Legislative Interest -- Same as Goldstein, above.

• **EMPLOYERS** -- Standard Oil Co., Tidewater Oil Co., Shell Oil Co., San Francisco, Calif.; Union Oil Co. of California, General Petroleum Corp., Richfield Oil Co., Los Angeles, Calif.

Registrant -- WILLIAM H. HEDLUND, lawyer, 909 American Bank Bldg., Portland, Ore. Filed 12/16/57.

Legislative Interest -- "Legislation of interest to, and affecting employers."

### Citizens' Groups

• **EMPLOYER AND REGISTRANT** -- FAMILY TAX ASSN., 1616 Walnut St., Philadelphia, Pa. Filed 12/13/57.

Legislative Interest -- "Generally interested in eliminating inequities of the tax laws to those having children." In favor of amending the Estate Tax Law to provide for a "deduction for surviving children similar in nature to the present marital deduction."

Expenses -- \$15,000 yearly.

2. Registrant -- PHILIP C. PENDLETON, lawyer, Second St. Pike, Bryn Athyn, Pa. Filed 12/13/57.

Legislative Interest -- Same as employer and registrant above.

Expenses -- \$3,000 yearly.

Compensation -- \$50 daily.

### Individuals

• **EMPLOYER AND REGISTRANT** -- JOHN MINNOCH, 130 N. Wells St., Chicago, Ill. Filed 12/20/57.

Legislative Interest -- "All legislation that affects hides and skins or allied commodities."

### Professional Groups

• **EMPLOYER** -- Assn. of American Medical Colleges, 2530 Ridge Ave., Evanston, Ill.

Registrant -- LUKE C. QUINN JR., 1001 Connecticut Ave., Washington, D.C. Filed 1/3/58.

Legislative Interest -- "Legislation affecting medical schools."

Compensation -- \$10,000 yearly.

Previous Registrations -- American Cancer Society, Arthritis and Rheumatism Foundation, National Multiple Sclerosis Society and United Cerebral Palsy Assns (1952 Almanac, p. 446); National Committee for Research in Neurological Disorders (1956 Almanac, p. 682).

## WHAT DO LOBBIES WANT IN 1958?

Lobby groups are busy readying their legislative programs to present to the reconvening 85th Congress. Here are the issues that in 1958 will receive most pressure-group attention, along with the specific legislative aims of major groups.

● **NATIONAL ECONOMY:** Business groups agree that the budget should be balanced, if not reduced. They also would like a tax cut. Several of them, however, in the light of the Soviet's two earth satellites, have said they would support any necessary defense spending programs, foregoing tax cuts if an accelerated defense program proved necessary.

● **NATIONAL SECURITY:** Groups in almost every category support strengthening of United States defense policy, with attention focused on expanded missile programs. Several are proposing the creation of a special agency to reexamine defense policy. Business groups would like legislation to curtail Defense Department "competition" with private industry.

● **TRADE:** With the Reciprocal Trade Agreements Act up for extension in 1958, foreign trade is due to be an important issue in pressure activity. The Administration has asked for a five-year extension of the Act. The Committee for a National Trade Policy, a free-trade group, is urging an 11-year extension with revision of its "escape clause" to provide that it apply only to cases where domestic industries injured by import competition are entitled to special assistance. A protectionist group, the Nation-Wide Committee on Export-Import Policy, has said it would urge that import quotas be set up under escape clause procedure and that the President be denied authority to accept or reject recommendations of the Tariff Commission. A wide variety of groups, representing specific foreign and domestic trade and commodity interests, also will be involved in this fight.

● **EDUCATION:** Federal aid to education is generally opposed by business; supported by labor, professional and political groups. The National Education Assn. has proposed a \$4.6 billion program of Federal education aid to extend over a five-year period. NEA's proposal is in sharp contrast to the Administration's proposed expenditure of \$1.6 billion over a four-year period in this field.

● **POWER DEVELOPMENT:** Revenue bond financing for the Tennessee Valley Authority will receive considerable pressure group attention, with general business and private power groups opposing and public power groups supporting this method of expanding TVA. Federal construction of atomic energy reactors is opposed by business and private power groups, as is construction of a high dam at Hells Canyon.

● **CIVIL RIGHTS:** Although the Administration has said it would not recommend any new civil rights legislation for 1958, several groups intend to press Congress for additional civil rights action, particularly legislation that would give the Federal Government power to seek injunctions to prevent violations of civil rights other than voting rights. Those groups asking for such legis-

lation are the National Assn. for the Advancement of Colored People, Americans for Democratic Action and the American Civil Liberties Union.

● **AGRICULTURE:** Farm organizations are looking for a new approach to Federal agricultural policy so that surpluses will be reduced and farm income increased. Three widely differing approaches have been proposed by the major farm lobbies. The National Farmers Union will urge a comprehensive system of farm commodity programs, based on marketing and production controls; the National Grange wants self-help programs for farmers on a commodity-by-commodity basis, using Government controls only where self-help proves unworkable; the American Farm Bureau Federation wants price supports, as a means of fixing prices of basic commodities, to be discontinued.

● **VETERANS' AFFAIRS:** General raises in pensions for veterans will attract the main lobby activity in the veterans' field. The American Legion supports general pension increases, while the American Veterans Committee and the American Veterans of World War II oppose such a program. All major veterans' groups would like to see a Senate standing committee on veterans' affairs created in 1958.

● **LABOR:** Labor unions will oppose efforts of some business groups to put trade unions under antitrust regulation. The AFL-CIO, major spokesman for organized labor, is again urging extension of the minimum wage law to an additional 9.5 million workers and an increase in the minimum wage from \$1 to \$1.25 an hour.

Following is a breakdown, by category, of major pressure groups, their claimed membership, and what they want Congress to do in 1958:

### Business Groups

**CHAMBER OF COMMERCE OF THE U.S.** (3,100 local and state chambers of commerce and trade associations)

Oppose Federal aid to education.

Continue the Mutual Security Program with "a minimum of waste."

Reduce unnecessary defense costs and competition with private business.

Support increased postal rates.

Outlaw the secondary boycott used by labor unions; put unions under antitrust laws.

Halt expansion of the Tennessee Valley Authority through the proposed sale of revenue bonds; support efforts to put TVA facilities under local ownership.

Support a Federal right-to-work law.

Oppose HR 9467, to permit hospital and medical benefits under social security.

Extend the Reciprocal Trade Agreements Act.

Permit the Federal Power Commission to regulate natural gas producers on the basis of "reasonable market price" rather than on a utility basis.

Provide for private development of atomic energy reactors.



NATIONAL ASSN. OF MANUFACTURERS (22,000 manufacturing firms)

Eliminate unnecessary non-military Government expenditures; effect a balanced budget for fiscal 1959.

Reduce income tax rates along the lines of HR 6452 and HR 9119, by providing that personal and corporate income taxes be lowered to a maximum of 42 percent by annual reductions over a five-year period.

Make labor unions subject to antitrust laws.

Oppose legislation (S 11) to amend the Robinson-Patman Anti-Price Discrimination Act.

Oppose HR 7698, a bill to provide for pre-merger notification of 60 days to the Justice Department and Federal Trade Commission.

Oppose construction of atomic reactors with Federal funds and Federal construction of a high dam at Hells Canyon.

SOUTHERN STATES INDUSTRIAL COUNCIL (2,000 business and industrial firms in 16 southern states)

Confine Government spending to estimated receipts; place a ceiling on Federal income taxation.

Oppose expanded Federal aid to education.

Oppose Federal depressed areas aid.

Oppose pre-merger notification legislation.

Increase postal rates.

Oppose Federal construction of a Hells Canyon dam, and atomic power reactors.

Establish import quotas where tariff adjustments are inadequate.

Urge that current minimum wage standards apply only to employees engaged in Government contract work.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS (102,000 independent businessmen and professional people)

Provide for greater enforcement of the antitrust laws.

Make the Small Business Administration permanent and broaden its powers.

Tax relief for small businesses.

COOPERATIVE LEAGUE OF THE U.S.A. (20 regional and national cooperative organizations)

Transfer authority over the meat packing industry from the Department of Agriculture to the Federal Trade Commission.

Federal aid to school construction.

Provide for Federal construction of atomic power reactors; support Federal development of Hells Canyon.

Urge extension of the Reciprocal Trade Agreements Act and U.S. membership in OTC.

## Farm Groups

AMERICAN FARM BUREAU FEDERATION (1,623,222 farm families)

Discontinue the use of price supports as a means of fixing prices of basic commodities; use price supports only as a safeguard against wide fluctuations.

Discontinue Government storage facilities as early as possible because of price depressing effect of Government-held farm surpluses.

Withhold from the domestic market currently held stocks of farm products.

Extend Public Law 480, 83rd Congress, until the current stock of the Commodity Credit Corp. is sold to foreign markets; discontinue surplus disposal abroad when all such surplus has been sold.

NATIONAL FARMERS UNION (274,119 farm families)

Enact a comprehensive system of farm commodity programs aimed at gaining full parity income, and based on marketing and production controls.

Create an international food and raw materials reserve bank, in conjunction with expanded surplus disposal abroad under Public Law 480.

Renew the Reciprocal Trade Agreements Act; support U.S. membership in OTC.

Enact a Federal family-farm yardstick credit program.

Retain dairy supports at current levels, pending enactment of a new dairy program.

Support Federal aid to education.

NATIONAL GRANGE (850,000 individuals)

Improve farm program by urging a self-help, commodity-by-commodity program for farmers, using Government mechanisms only where self-help proves unworkable.

Extend Public Law 480's surplus disposal program.

Transfer authority over meat packers from the Department of Agriculture to the Federal Trade Commission.

Oppose extension of minimum wage law to farms.

## Trade Groups

AMERICAN TARIFF LEAGUE (274 organizations)

Maintain import regulation in the form of tariffs on competitive articles.

Retain import quotas on agricultural, mining and mill products.

Return to Congress all tariff regulating.

Strengthen the U.S. Tariff Commission as an independent agency.

Oppose U.S. membership in OTC.

NATIONAL FOREIGN TRADE COUNCIL (800 companies engaged in international trade)

Renew the Reciprocal Trade Agreements Act.

Increase the lending authority of the Export-Import Bank.

Support tax treaties to give more favorable treatment to foreign investors.

Support measures to avoid restrictions on raw material imports.

Urge prudent handling of farm surplus disposal abroad to assure that foreign trade with friendly countries is not discouraged.

NATION-WIDE COMMITTEE OF INDUSTRY, AGRICULTURE & LABOR ON EXPORT-IMPORT POLICY

Deny the President authority under the Reciprocal Trade Agreements Act to accept or reject recommendations of the U.S. Tariff Commission.

Permit import quotas under the Act to be imposed under escape clause procedure.

COMMITTEE FOR A NATIONAL TRADE POLICY (not a membership organization)

Urge a long-term extension of the Reciprocal Trade Agreements Act, preferably 11 years.

Provide for acceptance by the U.S. of trade concessions, in addition to tariff reductions, in return for reductions granted by the U.S.

Revise "escape clause" in the Trade Agreements Act so it applies only to cases where domestic industries are clearly injured by import competition.



## Labor Groups

### AMERICAN FEDERATION OF LABOR - CONGRESS OF INDUSTRIAL ORGANIZATIONS (about 13.5 million workers)

Raise the hourly minimum wage from \$1 to \$1.25; extend the law's coverage to about 9.5 million additional workers.

Wage increases and a 35-hour work week for Federal employees.

Enact HR 9467 to establish medical and hospital benefits under the social security system.

Extend the Reciprocal Trade Agreements Act for a minimum of five years; authorize U.S. participation in OTC.

Support a "realistic program" of Federal aid to education in the fields of public school construction, teachers' salaries and student scholarships.

Increase Federal grants-in-aid for state and local welfare services.

Make more funds available, at lower interest rates, to home-owners, home-buyers and small businessmen.

Overhaul Federal tax structure to provide a "more equitable basis" for raising revenue and strengthening consumer buying power; raise personal income tax exemptions from \$600 to \$700.

### GOVERNMENT EMPLOYEES COUNCIL (AFL-CIO) (22 unions of Federal classified and postal employees)

Substantial salary increases for both Federal classified and postal workers; shorter working hours.

Hospitalization benefits for Federal employees, with the Government paying at least 50 percent of the costs.

Increase retirement pay of Federal employees by at least 15 percent.

## Citizens' Groups

### AMERICANS FOR DEMOCRATIC ACTION (39,000 individuals)

Urge Government spending of \$5 billion to \$10 billion more a year for social and economic welfare and to restore full employment.

Base defense appropriations on security needs, not "predetermined budgets."

Provide Federal aid to schools and colleges; Federal construction grants to schools of at least \$1 billion a year for 10 years; Federal scholarships and fellowships to "several hundred thousand talented students."

Expand Federal programs of urban development and housing, including a 10-year program of not less than \$500 million yearly to aid cities in such development.

Expand program of economic aid to underdeveloped countries; authorize a special loan of about \$600 million to India.

Provide for a "meaningful" trade agreements act -- a long-term program with adequate provisions for the assistance and re-deployment of companies and workers who are injured by the expansion of American imports; authorize U.S. membership in OTC.

Create a Presidential committee to investigate national defense.

Create a special agency with responsibility for an expanded program of basic research.

Pass additional civil rights legislation authorizing the Government to seek injunctions to prevent violations of civil rights.

### NATIONAL ASSN. FOR THE ADVANCEMENT OF COLORED PEOPLE (300,000 individuals)

Strengthen Federal protection of civil rights other than voting rights.

Add anti-segregation amendments to any new Federal grant-in-aid programs enacted in 1958.

Pass legislation to outlaw discrimination in interstate travel.

### CAMPAIGN FOR THE 48 STATES (membership figures not available)

Amend the Constitution to --

Limit Congressional appropriations in any fiscal year to estimated receipts, except in times of emergency to be determined by a three-fourths vote of Congress.

Eliminate the progressive rate feature of the income tax system; return to the states the right to tax gifts and estates.

Limit the treaty-making power of the President.

Permit states to amend the Constitution without the intervention of Congress.

### AMERICAN CIVIL LIBERTIES UNION (35,000 individuals)

Reverse Defense Department policies of basing the character of some military discharges on political beliefs and associations.

Oppose the activities of the House Un-American Activities Committee; challenge its mandate.

Urge Federal and state legislation to prevent wire-tapping.

Adopt a labor union "bill of rights" to guarantee internal trade union democracy.

Revise McCarran-Walter Immigration Act to provide equal treatment and due process protection to aliens and naturalized citizens.

Oppose segregated housing through national, state and local legislation; support anti-segregation provisions in 1958 Federal grant-in-aid programs.

## Professional Groups

### AMERICAN MEDICAL ASSN. (123,900 doctors)

Support Federal aid for construction of medical schools and medical research laboratories.

Support medical provisions in civil defense legislation.

Support HR 9, 10, legislation to provide tax relief for the self-employed.

Oppose HR 9467, to provide medical and hospital benefits under the social security system.

### AMERICAN HOSPITAL ASSN. (6,700 institutions, 4,300 individuals)

Extend legislation to continue Federal grants-in-aid to hospitals.

Support a low-interest loan program for hospital facilities.

Urge Federal aid for nursing education, with Federal-state matching funds.

Exempt non-profit hospitals from excise taxation.

Support HR 7034, a bill to provide health insurance for Federal employees.

### AMERICAN THRIFT ASSEMBLY (25 major professional groups)

Support passage of HR 9, 10, bills to give tax relief to self-employed individuals; permit the self-employed to set up their own retirement plans.

## Housing Groups

NATIONAL ASSN. OF HOME BUILDERS (3,500 civic leaders and local public officials)

Oppose secondary mortgage loans on housing.

Support greater appropriations for the Federal Housing Administration; "sufficient" funds for the Federal National Mortgage Assn.

Support lower down payments under the Federal Housing Administration.

NATIONAL ASSN. OF REAL ESTATE BOARDS (58,000 realtors)

More rapid depreciation on existing structure.

Legislation to encourage individuals to demolish buildings voluntarily by providing for deduction of demolition costs and residual value of the buildings over a five-year period.

Support FHA proposal to insure the top 20 percent of conventional housing loans.

Oppose secondary mortgages.

Oppose any faster rate of Federal urban renewal.

Oppose discount controls; want the interest rate of FHA and Veterans Administration loans flexible and geared to long-term Government bond rates.

## Power Groups

AMERICAN PUBLIC POWER ASSN. (300 publicly owned electric systems)

Provide for revenue bond financing by the Tennessee Valley Authority.

Increase Federal program for development of peacetime atomic energy.

Continue appropriations for construction of the John Day dam on the Columbia River, Ore.

Provide for Federal construction and development of Trinity River, Calif., power facilities.

NATIONAL RURAL ELECTRIC COOPERATIVE ASSN. (930 cooperative and public power districts borrowing from the Rural Electrification Administration)

Oppose legislation to make minimum Government loan interest rates equal to the cost of Federal borrowing causing increases in REA loan rates.

Remove REA from the terms of the Organization Act of 1953 that gave the Secretary of Agriculture some authority over REA policy.

Pass S 2113, to limit tax writeoffs of private power companies.

## Veterans' Groups

AMERICAN LEGION (2,800,000 veterans of World Wars I and II and the Korean conflict)

Support military pay increases as proposed in the Cordier Committee report.

Support enactment of veterans' pension legislation beginning at 65 years of age; increase existing monthly pension rates of veterans of World War I and II and Korea.

Oppose legislation that would restrict eligibility requirements for veterans' hospitalization.

Grant the Veterans' Administrator power to increase or lower interest rates on VA mortgages.

Oppose "weakening or repeal" of the McCarran-Walter Immigration Act of 1952.

Oppose Federal Aid to education.

Create a standing committee on veterans' affairs in the U.S. Senate.

AMERICAN VETERANS COMMITTEE (25,000 veterans of World Wars I and II and Korea)

Oppose a general pension program for veterans.

Pass HR 8722, granting a review of other than honorable military discharges.

Enact adequate reciprocal trade and foreign aid legislation.

Support a broad program of Federal aid to education.

Enact additional civil rights legislation.

VETERANS OF FOREIGN WARS OF THE U.S. (1,240,000 veterans of foreign wars)

Support S 2014 and HR 7574, bills implementing the Cordier report.

Enact a separate and liberalized pension program for disabled and aging World War I veterans.

Develop missile programs, continue experimentation research, development and testing of atomic and hydrogen weapons.

Provide for an incentive program for the top 10 percent of high school graduates to enroll in science training courses.

Withdraw diplomatic recognition of Soviet Russia; cut off free world trade with Communist China.

Establish in the U.S. Senate a standing committee on veterans' affairs.

## Transportation Groups

AMERICAN TRUCKING ASSNS. INC. (50 state trucking associations, 11 truckers' conferences)

Oppose railroad-backed proposals for changes in basic transportation policy.

Repeal the 3 percent excise tax on freight transportation.

Enact S 2553, to grant the Interstate Commerce Commission authority over shipments of frozen fruits and vegetables.

Support a statute of limitations on Government suits against shippers for alleged over-charges.

AIR TRANSPORT ASSN. (47 certified scheduled air carriers)

Support legislation prohibiting Government "competition" with private air lines.

Repeal transportation taxes.

Support HR 5822, a bill to provide that the capital gains of subsidized air carriers may be invested in new equipment.

Oppose legislation to prohibit the serving of alcoholic beverages to air passengers.

Urge adequate Civil Aeronautics Administration appropriations for air traffic control.

ASSN. OF AMERICAN RAILROADS (196 railroads in the U.S., Canada and Mexico)

Revise basic U.S. transportation policy by --

Eliminating current 3 percent excise tax on freight shipments.

Permitting rapid amortization of railroad assets for tax purposes.

Providing for more rate-making freedom.

## SUCCESS OR FAILURE HINGES ON WHITE HOUSE

As the second session of the 85th Congress gets underway, Washington is braced for another round in the continuing battle between natural gas consumers and producers over a plan to exempt producers from Federal utility-type regulation. Proponents as well as opponents of the twice-vetoed legislation are awaiting a signal from the White House. Any indication that the President will back up his personal endorsement of the legislation with a concerted effort to line up Republican votes in its behalf is expected to bring the issue to a head in short order.

### Background

President Truman vetoed the so-called Kerr bill in 1950. (1950 Almanac, p. 598) A similar measure, the Harris-Fulbright bill, passed the House in 1955 and the Senate in 1956, but was vetoed by President Eisenhower because of "arrogant" activities by gas & oil lobbyists. (1956 Almanac, p. 469) However, the President endorsed the proposal to exempt gas producers from utility-type regulation, and included a request for such legislation in his 1957 Budget Message.

On April 10, 1957, Chairman Oren Harris (D Ark.) of the House Interstate and Foreign Commerce Committee and Rep. Joseph P. O'Hara (R Minn.), the second ranking Republican member, introduced identical bills to provide for a modified form of regulation over natural gas producers. Hearings were held from May 7 to June 4, and an amended bill -- HR 8525 -- was reported July 19, on a 15-13 vote. The House Rules Committee July 31 cleared HR 8525 for eight hours of debate under an open rule (permitting amendments), but the measure was not called up before adjournment. (1957 Almanac p. 665) The bill is on the House calendar and could be called up at any time.

### Pros and Cons

About one-half of the Nation's 238 trillion cubic feet of natural gas reserves are held by Texas, and another 40 percent by five other states -- Louisiana, New Mexico, Kansas, Oklahoma and California. Much of the 10.9 trillion cubic feet produced in 1957 moved through pipelines to consumers in the Middle West and East where it was distributed by local gas companies. The latter have long been regulated as utilities, while the Natural Gas Act of 1938 gave the Federal Power Commission authority to regulate interstate pipelines. This authority was extended, in a 1954 Supreme Court decision, to cover all independent producers selling to pipelines for resale in other states.

Producers contend that their business is both risky and highly competitive, and therefore does not enjoy the monopolistic advantages which justify regulation of pipelines and local utilities. Consumers say that regulation over distribution channels will be of no avail in controlling gas rates if producers are free to charge all that the traffic will bear. The stakes are high, since an increase in the wellhead price from 10 to 15 cents per

thousand cubic feet would boost the value of existing reserves from about \$24 billion to \$36 billion.

In an effort to meet consumer objections, HR 8525 authorizes FPC to determine "the reasonable market price" for natural gas under new producer contracts. But the bill says that, in determining this price, "The Commission shall recognize the fact that natural gas is a commodity, and shall not consider costs or use the public utility rate base cost-of-service concept or formula." Opponents claim they will have little protection if costs are excluded in setting a "reasonable market price."

### Outlook

House passage of the 1955 Harris bill came on a 209-203 roll-call vote, engineered by Speaker Sam Rayburn (D Texas). In 1957 Rayburn was reported to have decided there were not enough votes to pass HR 8525. Producer groups have tried -- so far without success -- to enlist the support of coal interests, which are sensitive to competition from natural gas. Ex-Rep. Tom Pickett (D Texas 1945-53), executive vice president of the National Coal Association, told CQ Jan. 3 that his group would oppose HR 8525. But the bill's supporters have succeeded in winning over some members of the Council of Local Gas Companies, formed in 1955 to fight the Harris-Fulbright bill. The Oil and Gas Journal said Oct. 28, 1957, that "a little more missionary work" was needed to induce gas distributors "to forget cost accounting entirely and support the bill's definition of reasonable market price."

As yet, the producers have not moved to reactivate the General Gas Committee, which spearheaded the lobby fight in 1955 and 1956, spending more than \$115,000. Leading the opposition to HR 8525 is the Mayors' Committee on Natural Gas, headed by New York's Robert F. Wagner and Philadelphia's Richardson Dilworth. It is being assisted by the newly formed Gas Consumers Information Service, headed by John Gunther, former legislative representative for Americans for Democratic Action.

No action is expected in the Senate unless and until the House passes HR 8525. The bill then would move to the Senate Interstate and Foreign Commerce Committee, where Chairman Warren Magnuson (D Wash.) is opposed to the measure but a substantial majority is in favor. Sen. Paul Douglas (D Ill.) will lead the opposition on the Senate floor.

A collateral issue was raised Nov. 21 when a U.S. Court of Appeals ruled that rate increases by pipeline companies, which may be suspended by the FPC for five months, cannot thereafter take effect if still under FPC review without the consent of the pipeline's customers. If upheld by the Supreme Court, this ruling in the so-called Memphis case would provoke another major effort to amend the Natural Gas Act. Both the producers and the pipeliners expect that this issue will be dealt with separately from the exemption issue.

## MITCHELL ELECTED

Circuit Judge Erwin Mitchell (D), 33, Jan. 8 was elected to the House of Representatives in a special election in Georgia's 7th District. Mitchell had only token opposition for the seat held by the late Rep. Henderson L. Lanham (D). (1957 Weekly Report, p. 1310)

## CATHOLIC CANDIDATES

A group called Protestants and Other Americans United for Separation of Church and State Jan. 4 said potential Catholic candidates for national office should take definite stands on the use of public funds for sectarian schools and the appointment of an American ambassador to the Vatican. The group said it opposed any "blanket boycott of the candidates of any particular denomination.... Millions of Catholic Americans are in complete agreement on matters of church-state separation with their fellow citizens of other faiths. We believe, however, that the religion of a candidate should not be used as a shield to conceal his opinions on matters of church-state policy."

## DEMOCRATS: NIXON HURT SCIENCE

The Democratic Digest Jan. 4 charged that "irresponsible public accusations" against scientists by Vice President Richard M. Nixon and other Republicans between 1952 and 1954 had harmed the Nation's security by demoralizing its scientists. Citing the cases of J. Robert Oppenheimer and Dr. Edward U. Condon, the official publication of the Democratic National Committee said: "The terrifying, unreasoning anti-intellectual climate of fear and suspicion which was created and perfected by the late Sen. Joseph R. McCarthy (R Wis.), refined by Richard Nixon and expertly mass-produced by the Republican party in the years 1952-54...very nearly wrecked the Nation's scientific community.... As much as anything else the irresponsible security program initiated by the Republican Administration and the irresponsible public accusations made by such men as Senator McCarthy and 'the old Nixon' were responsible for the demoralization of our Nation's scientists."

## NIXON ON U.S. STRENGTH

Vice President Richard M. Nixon Jan. 8 said "talk... that the United States is weaker than the Soviet Union, that our Strategic Air Force is obsolete...that our economy is inevitably headed for depression and that our scientists are inferior...can only be described as unmitigated nonsense."

Nixon said, "The United States is militarily stronger today than any aggressor.... If we become smug, complacent and overconfident, we could fall behind the Soviet Union.... But I can assure the American people that under the leadership of President Eisenhower we are not going to let it happen."

## INDIANA HARMONY MOVES

Republican House Members from Indiana met Jan. 7 in an effort to mend the quarrel that had split the state Republican party. Rep. Charles A. Halleck (R Ind.), the dean of the delegation, said they had "pretty well agreed" on a "letter of appreciation" to H. Dale Brown, state committeeman from Indianapolis, who had written a peace-making letter to Halleck on behalf of the party faction led by Sen. William E. Jenner (R Ind.) and Gov. Harold W. Handley (R). At a recent meeting of the state committee, Halleck and Sen. Homer E. Capehart (R Ind.) had attacked the Jenner-Handley faction for its criticism of the Eisenhower Administration. (1957 Weekly Report, p. 1325)

## State Roundup

**KENTUCKY** -- Sen. Thruston B. Morton (R Ky.) Dec. 30 underwent "substantial surgery" for removal of two cysts and a tumor from his shoulder. An announcement from his office said "there was no evidence of malignancy."

**MARYLAND** -- Sen. J. Glenn Beall (R Md.) Jan. 8 filed for the Republican nomination for a second term in the Senate. Also on Jan. 8 Baltimore Mayor Thomas D'Alesandro Jr. (D) agreed to seek the Democratic nomination for Senator, instead of governor, at the urging of party leaders. D'Alesandro said he would seek the Senate nomination on a "unity ticket" headed by Comptroller J. Millard Tawes (D) for governor and backed by most of the state Democratic leaders. Five other Democrats had previously announced for the Senate nomination. (1957 Weekly Report, p. 1339)

**MASSACHUSETTS** -- Christian A. Herter Jr., 39, Jan. 8 said he would seek the Republican nomination for governor. Herter's father was governor from 1953 to 1956; he has been an administrative assistant to Vice President Richard M. Nixon and general counsel of the Foreign Operations Administration.

**OHIO** -- Ex-Sen. George H. Bender (R Ohio 1955-57) Jan. 2 announced he would seek the Republican nomination for governor in 1958. Gov. C. William O'Neill (R) is expected to contest the nomination with Bender. Bender has been a special assistant to the Secretary of Interior since his defeat in the 1956 Senate race by Sen. Frank J. Lausche (D).

**SOUTH CAROLINA** -- Donald S. Russell, until recently president of the University of South Carolina, Jan. 5 became the first announced candidate in the Democratic gubernatorial primary.

**VERMONT** -- Rep. Winston J. Prouty (R) Jan. 7 said he would seek the Republican nomination for the Senate seat held by Sen. Ralph E. Flanders (R Vt.).



## SECOND SESSION CONVENES

The second session of the 85th Congress convened at noon Jan. 7. In the Senate 90 Members answered the call of the roll. In the House 402 Representatives were on hand for the opening of the second session. Three new Representatives were sworn in: Milton W. Glenn (R N.J.), John A. LaFore Jr. (R Pa.) and Roland V. Libonati (D Ill.). Rep. Vincent J. Dellay (N.J.), elected as a Republican in 1956, sat with the Democrats for the first time. Dellay had announced he would join the Democrats in 1958. His switch, and the resignation of Rep. Earl Chudoff (D Pa.), left the House lineup at 231 Democrats, 199 Republicans and five vacancies. In the Senate are 50 Democrats and 46 Republicans.

## DEFENSE EMERGENCY FUNDS

President Eisenhower Jan. 7 asked Congress to appropriate \$1,260,000,000 in emergency funds for fiscal 1958 to speed missile development and expand air defense. The President said the supplemental funds would be earmarked as follows: \$683 million to establish an enemy ballistic missile detection system; \$329 million to develop and procure long-range ballistic missiles; \$219 million to accelerate and expand construction of Strategic Air Command dispersal and alert facilities; and \$29 million to extend the semi-automatic ground environment system (SAGE) for air defense.

The President also asked authority to: increase from \$50 million to \$150 million funds the Defense Secretary could transfer from already appropriated money to his emergency fund for research and development work; transfer \$10 million in current Defense Department funds for the Department's new space agency, the Advance Research Projects Agency; and create 25 additional Defense Department jobs in connection with the accelerated research-science program. (Weekly Report, p.27)

## SECOND SESSION PROGRAM

Senate Democratic Leader Lyndon B. Johnson (Texas) Jan. 3 said national defense and foreign policy would have the highest priorities during the second session of the 85th Congress. Other problems Johnson listed for Congressional consideration were: farmers caught in a tight economic squeeze; unemployment of between 3 million and 4 million persons; small business failures at a rapid rate; failure to complete necessary work for the conservation of natural resources; the rising cost of living.

House Speaker Sam Rayburn (D Texas) Jan. 7 said: "I look for a very heavy session and one of considerable controversy...." Rayburn said he expected the Alaskan statehood bill to be "moved some time during the session but I can't say when." He said he was opposed to cutting funds for river, harbor and flood control programs. "Water has become one of the most precious things we have," he added. Rayburn said extension of the Reciprocal Trade Agreements Act was "vitally necessary" and that he was "for making it permanent." He said he saw no prospects for "big cuts" in appropriations.

## JOINT CHIEFS OF STAFF

Chief of Naval Operations Adm. Arleigh A. Burke Jan. 6 defended the Joint Chiefs of Staff system in a speech before the National Press Club. Burke said that to "place our future in the hands of a single military national protector" would "lay the foundations for national disaster." (Weekly Report, p. 41)

Chairman Carl Vinson (D Ga.) of the House Armed Services Committee Jan. 4 opposed creation of a single commander of the armed forces as a road to "national suicide." Vinson said "hysteria" had led to allegations that "interservice rivalry" had delayed the United States' satellite program. Chairman Richard B. Russell (D Ga.) of the Senate Armed Services Committee Jan. 2 opposed changes in the Joint Chiefs system. Russell said he was "not a single-department man."

Sen. Stuart Symington (D Mo.) and Ralph E. Flanders (R Vt.) Jan. 2 backed unification of defense control under one head. Symington, a former Secretary of the Air Force, said that "we should have a single chief of staff and...the Joint Chiefs should not be the operating heads of their respective services." Rep. George H. Mahon (D Texas), Chairman of the House Appropriations Defense Department Subcommittee, said the Joint Chiefs plan was "unrealistic and unworkable."

## TAX OUTLOOK

Rep. Daniel A. Reed (R N.Y.), ranking minority member of the House Ways and Means Committee, Jan. 3 said he would support a general tax cut if there was a continued business downturn. But he said he would not support a tax cut if it meant the Government would be forced to operate in the red. (Weekly Report, p. 45)

Two other House members Jan. 1 joined in a bipartisan appeal for a tax cut. In a joint statement Reps. Antoni N. Sadlak (R Conn.) and A.S.J. Herlong (D Fla.) said lowering "excessively high income tax rates" was as important to the economy as military strength was to the missile race.

House Democratic Leader John W. McCormack (Mass.) Jan. 6 said that "much as I favored a tax cut before," he thought any hope for such a reduction was gone.

## SCIENCE SCHOLARSHIPS

Sen. Lister Hill (D Ala.) and Rep. Carl Elliott (D Ala.) Jan. 4 said they would introduce bills calling for a "defense education" program that would provide 240,000 Federal scholarships for college education of outstanding students. About 75 percent of the total would be for the study of sciences, engineering, mathematics and languages. The Hill-Elliott proposal would provide for \$30 million in matching grants to states for construction of science-training facilities. (Weekly Report, p. 26)

House Republican Leader Joseph W. Martin Jr. (Mass.) Jan. 7 said he would introduce a bill to award five annual Federal scholarships for science and technology study in each Congressional district.



## ROCKEFELLER REPORT

The Special Studies Project of the Rockefeller Brothers Fund Inc. Jan. 5 released its first report -- "International Security: the Military Aspect." Prepared by one of seven panels set up by the Fund, the report recommended increased defense spending of \$3 billion a year, a revamping of all operational military forces into unified commands and a pooling of United States scientific and technical information with NATO allies. The 21-member security panel was composed of scientists, former diplomats, defense officials and military officers, industrialists, atomic experts, educators, publishers and a labor union representative. (For a report on the Government's Gaither report, see 1957 Weekly Report, p. 1328)

The Rockefeller report said it "appears that the United States is rapidly losing its lead over the USSR in the military race," although it may currently hold superiority in striking power. It said "it is emphatically not too late if we are prepared to make the required big effort now and in the years ahead.... We believe that the security of the United States transcends normal budgetary considerations and that the national economy can afford the necessary expenditures."

The report said the U.S. and the free world must be prepared to resist any one of three types of aggression: all-out war, limited war, and non-overt aggression concealed as internal take-over by coup d'etat or by civil war. The U.S. must prepare to fight a nuclear war, either all-out or limited, said the study group.

To these ends, the panel said the U.S. should:

- Increase defense expenditures immediately and continue for the next few years; current deficiencies would require additional expenditures of about \$3 billion a year until at least 1965.
- Remove the military departments from the channel of operational command; organize all of the operational military forces into unified commands to perform missions called for by strategic requirements.
- Designate the Chairman of the Joint Chiefs of Staff as principal military adviser to the Secretary of Defense and the President; organize the staff of the Joint Chiefs of Staff on a unified basis and place it under the control of the Chairman in his capacity as principal military adviser.
- Give the Secretary of Defense direct authority over all research, development and procurement, as well as a direct appropriation for research and development programs at the Defense Department level.
- Strengthen regional alliances, not as an alternative to the United Nations, but in line with its charter.
- Make a "concerted effort" to meet joint security requirements of all alliances by: contributing to the development of a common strategic concept, assisting the re-equipping of allied forces, and fostering political cohesiveness and economic and technical cooperation.
- Pool with NATO allies scientific and technical information; provide them with nuclear weapons and delivery systems.
- Make civil defense part of the over-all strategic posture; provide for a warning system and fallout shelters.
- Reduce armaments only if preceded by a reduction of tensions and a settlement of issues dividing the world since World War II; make concrete proposals in negotiations with allies to limit wars.

## FARM MIGRATION

Sen. John J. Sparkman (D Ala.) and Secretary of Agriculture Ezra Taft Benson Jan. 3 said they opposed "forced migration" of workers from agriculture.

Taking note of economists' testimony that a surplus of farm labor underlies American agricultural problems (Weekly Report, p. 8), Sparkman said he would "fight any program calling for forced movement of America's farm families to cities." He said he would urge "rehabilitation and relocation aids for those families who either by choice or through no fault of their own leave the farms."

Benson wrote Sparkman, "I agree with you that no one should be forced to leave farming, but neither should a family be kept on a farm for various reasons when there is an economic advantage to them to seek employment elsewhere. The Rural Development Program is making substantial progress in combining farm improvement and industry expansion to provide a more stable economy in areas of small farms."

## Capitol Briefs

### FARM PROGRAM

Secretary of Agriculture Ezra Taft Benson Jan. 7 said the Administration would ask Congress to end the soil bank acreage reserve at the end of the 1958 crop year. The acreage reserve was scheduled to run through 1959, but Congress in 1957 set a Sept. 15, 1958 deadline for payments. (1957 Almanac, p. 704)

### POWELL AMENDMENT

Rep. Adam C. Powell Jr. (D N.Y.) Jan. 6 announced he would try to attach an anti-segregation amendment to all education proposals coming before the House in 1958. Powell said the amendment he would propose was included in a bill (HR 5030) he introduced in 1957 to set up national defense scientific scholarships.

### CIVIL RIGHTS COMMISSION

President Eisenhower Jan. 4 named Robert G. Storey, a Democrat and dean of the Southern Methodist University Law School, as vice chairman of the Civil Rights Commission. The Commission held its first meeting Jan. 3.

### RIGHT-TO-WORK PROPOSAL

Sen. Barry Goldwater (R Ariz.) Jan. 6 announced he would introduce a bill to outlaw compulsory membership in labor unions. In effect a national "right-to-work" proposal, the bill would prohibit any labor contract terms making membership in a union a requirement to hold a job.

### FEDERAL SPENDING

Chairman Clarence Cannon (D Mo.) of the House Appropriations Committee Jan. 2 warned against a Government "spending spree" under the guise of national defense. "It is my hope that we can save enough out of non-essential items to make up for the increase in defense spending and still keep a balanced budget," he said.

## MILLS ASCENDS TO RULING HOUSE TRIUMVIRATE

Rep. Wilbur Daigh Mills (D Ark.) ascended to the ruling triumvirate of the House of Representatives Jan. 7 when Congress reconvened and he became Chairman of the Ways and Means Committee. Under the seniority rules, Members of Congress move up toward the chairmanship of committees in order of their length of service on the committees. Mills succeeds Rep. Jere Cooper (D Tenn.) who died Dec. 18, 1957.

The House Ways and Means Committee is the starting point for all revenue legislation -- tariffs, taxes and social security. So what Mills does as Chairman will affect everybody from the man-in-the-street to President Eisenhower. As Chairman, he will have much to say about which bills will get to the floor for consideration and which will stay in the Committee. He can decide whether or not to hold hearings on various issues and what direction the hearings will take once they start.

In addition, the Democratic members of the Ways and Means Committee constitute the party's Committee on Committees -- the body that can put a Representative in the limelight by assigning him to an important committee or doom him to obscurity.

All this makes the Chairman of the Ways and Means Committee one of the three most powerful men in the House. The other two are the Speaker and Chairman of the Rules Committee -- the gateway most bills must go through to get to the floor for a vote.

What kind of a performance can be expected from Mills in his new role? Congressional Quarterly checked his record on the issues that will come before his Committee and found it probable he will:

- Oppose cutting income taxes before the Government's debt is reduced -- unless the economy goes into a nose dive.
- Oppose reducing corporate and excise taxes.
- Oppose special tax treatment for small business corporations on the theory that they comprise only part of the country's small business enterprises.
- Support revision of tax laws to correct preferences and inequities.
- Oppose Government controls as an anti-inflation measure.
- Support a temporary increase in the debt ceiling if the Treasury Department says it is necessary.
- Support reductions in non-defense spending if the Administration consults with the Democrats on items to be reduced.
- Support any politically feasible proposals for returning Federal programs to the states.
- Lend a sympathetic ear to those pressing for hearings to reduce depletion allowances for oil and gas producers.
- Support liberalized social security benefits as long as there are corresponding tax increases to pay for them.
- Push for an extension of the reciprocal trade program under which the President can negotiate tariff reductions between the U.S. and foreign countries to stimulate trade.

### Statements, Votes

Here are some of the principal statements and votes leading to these conclusions:

**INCOME TAX REDUCTION** -- The June 26, 1957, report (H Rept 647) of Mills' Joint Economic Fiscal Policy Subcommittee stated it would take a \$3 billion to \$5 billion budget surplus for fiscal 1958 to merit income tax cuts. The Bureau of the Budget's Midyear Review for fiscal 1958 predicted a cash surplus of \$1.5 billion. Mills' Subcommittee said "any modest surplus in the Federal budget should be applied to debt reduction." Its report added, however, that a business slump would call for easing credit controls and if that "should prove inadequate to prevent a continuing decline in employment and output, general tax reduction should be provided."

**CORPORATE, EXCISE TAXES** -- Mills was second ranking Democrat on the Ways and Means Committee Feb. 7, 1957, when it urged extension of the 52 percent tax on corporate income as well as the extension of several excise taxes slated for reduction. The House March 28, by voice vote, extended those taxes to June 30, 1958. Mills' conviction that the Federal debt must be reduced makes it highly improbable that he would support a move decreasing Federal revenue by eliminating existing corporate and excise taxes.

**SMALL BUSINESS TAXES** -- Mills repeatedly has maintained small business corporations are only a fraction of small business in the U.S. He feels it would be unfair to other small business, such as partnerships and proprietorships, to give small corporations a tax benefit. His belief that the Federal debt should be reduced strengthens his opposition here, too.

**TAX INEQUITIES** -- Mills' Ways and Means Committee Jan. 7 began hearings on the 1954 Internal Revenue Code. Mills Dec. 2, 1957, said the hearings would be directed toward correcting the "unintentional benefits and hardships" in the tax laws. He gave his personal philosophy on taxing income July 27, 1956: "I think the first and foremost principle we should adopt is that the tax we levy -- the income tax -- shall be applied neutrally upon those who are subject to the payment of the tax. By neutrally I mean simply this: that the amount of tax an individual pays should not depend on the source of his income but only on the amount of his income -- that the tax law should not offer any advantage in getting your income one way rather than another."

He frequently has said that Congress should take a hard look at the tax rules concerning capital gains, net operating losses, accelerated depreciation, dividend distribution and estate and gift taxes. He would like to see the income tax rate start at lower than 20 percent and stop below the current maximum of 91 percent. The minimum rate puts too many families in one bracket, he told the U.S. Chamber of Commerce May 1, 1956, while the maximum rate encourages taxpayers to "make determined efforts to obtain preferential treatment for various types of income and expenses."

**FEDERAL CONTROLS** -- The report (H Rept 647) of his Fiscal Policy Subcommittee said: "Fiscal and monetary policies should be directed toward encouraging a higher level of voluntary real savings under the present conditions of inflationary pressure.... Public policies to cope with the increases in the price level must take the form of general fiscal and monetary restraints on the expansion of total spending.... The alternative to general fiscal and credit controls is some form of direct Government control over wage and price determination. The use of this type of control would produce results as bad, if not worse, than the inflation against which it would be directed and should be avoided."

**DEBT LIMIT** -- Mills Aug. 16, 1954, urged fellow Representatives to support a hike in the debt ceiling, and in 1956 voted to report out a bill (HR 11740 -- H Rept 2407) to increase the debt limit temporarily from \$275 billion to \$278 billion for fiscal 1957.

**NON-DEFENSE SPENDING** -- Mills Dec. 2, 1957, said the Nation was in for a "prolonged rise" in defense spending and added that the President "must take the lead in showing how and where" savings could be made in non-defense spending.

**STATE RESPONSIBILITY** -- Mills Feb. 18, 1957, said that "we have to seek ways in which state and local governments may overcome their present financial limitations in order to avoid an ever-increasing recourse to Federal aid.... Some redistribution of tax sources among the Federal Government, the states and the localities may also be required." In 1957, Mills voted against a motion to provide \$14 million for a Federal flood insurance program and against a bill to give \$1.5 billion in Federal money to states for school construction.

**OIL DEPLETION ALLOWANCES** -- Mills July 27, 1956, said: "I do think that in the case of depletable resources, there is justification for tax treatment which recognizes that the taxpayer is selling a thing that is depleting at all times.... But whether or not the present tax provisions are what they should be is the question I am raising." Currently, oil producers can deduct 27% percent from their gross income as a depletion allowance when figuring out how much of their income is subject to tax. (1957 Weekly Report, p. 859)

**SOCIAL SECURITY** -- Mills July 18, 1955, voted for liberalizing the social security law after saying "I know of no more humane thing this Congress can do...." He believes in "strengthening social security whenever possible, but we also must keep the program on an actuarially sound basis."

**RECIPROCAL TRADE** -- Mills in 1955 voted against a motion to recommit a bill extending the President's authority to negotiate tariff reductions for another three years. Purpose of the recommittal motion was to rewrite the bill so that the President would have had to follow Tariff Commission recommendations. The motion was defeated and the President currently can accept or reject the recommendations. Mills also voted for the trade bill itself. Whether to extend the Trade Agreements Act beyond June 30, 1958, will be one of the hottest questions for Mills and his Committee to decide in 1958. (Weekly Report, p. 4)

## Thumbnail Sketch

The Chairman of the House Ways and Means Committee -- Rep. Wilbur D. Mills -- was born May 24, 1909, in Kensett, Ark. He is married, has two daughters. He was graduated from Hendrix (Conway, Ark.) College in 1930; received law degree in 1933 from Harvard Law School. He worked as a cashier in his father's country bank for a year before starting a law practice in Searcy, Ark., in 1934. He was elected county and probate judge for White County, serving 1935 through 1938 when he was elected to the House of Representatives, taking his seat Jan. 3, 1939; has never been seriously opposed in 2nd District; says he "decided when I was 10 years old I wanted to be a Congressman. I've never regretted the decision." He is said to aspire to House Speakership; gets along with Northerners, though his signing the Segregation Manifesto in 1956 may have cost him their support for Speakership.

On 31 House roll calls in 1957 that set the majority of voting Southern Democrats against voting Northern Democrats, he sided with the South on 27 of them (1957 Weekly Report, p. 1217). He voted for the bill in 1955 to exempt natural gas producers from Federal regulation, voted against the civil rights bill in 1957; stuck with his party on most of the roll calls where a majority of voting Democrats opposed a majority of voting Republicans; has supported President Eisenhower's legislative program about half the time; voted to reduce spending on 22 of the 38 1957 roll calls that presented a clear-cut opportunity to do so (1957 Weekly Report, p. 1199); voted for President Eisenhower's Mideast Resolution in 1957; voted for 90 percent rigid farm price supports, liberalized veterans pensions and postage rate increases in 1956; voted on every roll call in 1957.

Mills started out in 1939 as a member of the Banking and Currency Committee, was switched to Ways and Means in 1943. He also is a member of the Joint Committees on Reduction of Nonessential Expenditures and Internal Revenue Taxation and the Joint Economic Committee. In 1957, he served as Chairman of the Ways and Means Internal Revenue Taxation Subcommittee and of the Joint Economic Fiscal Policy Subcommittee.

## Presidential Support, Party Unity

Mills' percentage record of support and opposition to President Eisenhower, and his record of support and opposition to the majority of Democrats:

Year	Eisenhower Support	Eisenhower Opposition	Party Support	Party Opposition
1957	47%	53%	66%	34%
1956	53%	44%	81%	19%
1955	66%	34%	84%	16%
1954	53%	45%	68%	32%
1953	35%	65%	78%	22%



## MILITARY LEADERS CRITICIZE DEFENSE BUDGET

COMMITTEE -- Senate Armed Services, Preparedness Investigating Subcommittee.

RESUMED HEARINGS -- On U.S. satellite and missile programs. (1957 Almanac, p. 799)

TESTIMONY -- Jan. 6 -- Lt. Gen. James M. Gavin, Army research and development chief, in closed session testimony said Gen. Maxwell D. Taylor, Army chief of staff, Dec. 23 told him he "no longer was being considered for promotion and assignment to a more responsible position." Gavin, whose testimony was summarized by Chairman Lyndon B. Johnson (D Texas), said he felt "intuitively" the change in earlier plans to assign him as chief of the Continental Army Command was "clouded by my testimony." (Gavin Dec. 13 criticized the missile program and told the Subcommittee there should be a "breakup of the Joint Chiefs of Staff.") Gavin Jan. 4 announced his decision to retire in March. Gavin said that if he remained in the Army he would be expected to defend the Army's new budget against his own judgment, since "I don't believe in next year's budget," and "I was very unhappy with last year's budget."

Rear Adm. Hyman G. Rickover, developer of the atomic submarine, said the Navy's "submarine officers" two years ago rejected his recommendation for construction of a missile-firing atomic submarine. Johnson, reporting on Rickover's testimony, said the Admiral charged that "trained people are hampered by conferences and committees and the continual demand for offering justification for what they are doing." Rickover said he was "very much worried that it is almost too late to match the achievements of the Soviet Union" in the missile field. He said on important projects the same people should handle the work from idea to completion and testing. More than one approach to an important problem was needed, Rickover said, so that when one approach proved unfeasible, the project could be promptly abandoned.

Jan. 8 -- Gavin said his decision to retire was "final," and that although he had "no axe to grind" he felt he could "do better for the Army outside than in." Gavin said his decision was based on "the inability to get things done," but added that "it is not up to me to fix responsibility" for delays. He referred to President Eisenhower's current defense emergency fund request, and said "there is not one red penny in that budget for the Army and I have been begging for money -- money for the anti-missile missile, money for a space program." (Weekly Report, p. 40)

Gen. Thomas D. White, Air Force chief of staff, said the Administration had not requested sufficient funds to step up intercontinental missile projects "as much as they can and should be." He said Titan ICBM production had not been speeded up at all, and that the Atlas speedup was not to the extent he thought possible. White said he unsuccessfully had "made every plea before every proper authority" for "several hundred million dollars additional" in the new budget.

Jan. 9 -- Maj. Gen. Bernard A. Schriever, Air Force ballistic missiles director, said there was "an adequate rate of development" on the Thor, a 1,500-mile intermediate ballistic missile, and the Atlas, a 5,000-mile missile, but that "production schedules could and should be accelerated." He said the Thor and Atlas development programs could not be speeded, but development of another 5,000-mile missile, the Titan, could and should be stepped up. Schriever said he had urged that the Air Force plan for more production and additional missile units, but the response had been lower "than physical capabilities would permit."

RELATED DEVELOPMENTS -- Jan. 3 -- Johnson said the White House had taken the position that his Subcommittee's request for the full text of the Gaither report on U.S. military strength involved "basic precedents concerning the secrecy of private communications to the President," but that there had been "no effort to withhold information about it." (1957 Weekly Report, p. 1328)

Jan. 4 -- Chairman Richard B. Russell (D Ga.) of the Senate Armed Services Committee said the extra money for the missile program "should be taken out of the foreign aid program because other nations depend on us and our weapons for their survival."

Jan. 7 -- Sen. Leverett Saltonstall (R Mass.) told a conference of GOP Senators "it is most important for us...to keep our feet on the ground and our heads clear." Saltonstall, in a talk following Senate Democratic Leader Johnson's briefing of his party's members, said he had "every confidence in the ability and resources of our people and I know that our cause ultimately will prevail." Sen. Ralph E. Flanders (R Vt.) said missile development prospects were "better than good, they are excellent," and that "we cannot complete our program twice as fast if we appropriate twice the money." (For text of Johnson's address, see Weekly Report, p. 46)

Army Secretary Wilber M. Brucker said he had offered Gavin two means of attaining four-star rank as an inducement for not retiring, because "I feel that I am trying to save a great and dedicated soldier from making any mistake." Brucker also said Gen. Taylor had told him Gavin never had been promised or led to believe he would be given the Continental Army Command.

Jan. 8 -- Defense Secretary Neil H. McElroy, testifying at a House Appropriations Defense Department Subcommittee hearing on the President's Jan. 7 defense fund emergency request, said the missile programs must be accelerated promptly. He asked an immediate appropriation of \$296 million to construct three submarines capable of firing long-range missiles from underwater.

Brucker "reluctantly" approved Gavin's retirement application.

Jan. 9 -- Johnson said the testimony of Gavin, White and Schriever all indicated production rates could and should be increased, and that recommendations to that effect had been made but not approved. He said it was his personal opinion "they should be increased."

## TAX REVISION

COMMITTEE -- House Ways and Means.  
BEGAN HEARINGS -- On Federal tax revision.  
(Weekly Report, p. 40)

TESTIMONY -- Jan. 7 -- Reps. Charles E. Bennett (D Fla.), Timothy P. Sheehan (R Ill.) and J. Arthur Younger (R Calif.) urged tax relief for small corporations. Spokesmen for the American Retail Federation, the National Assn. of Wholesalers, the National Assn. of Retail Grocers and the Farm Equipment Wholesalers Assn. supported proposals to waive income taxes on part of a firm's net income if it were used to expand the capital assets or inventory of the business.

Jan. 8 -- Lothair Teetor, former Assistant Secretary of Commerce for Domestic Affairs (1953-55), said "confiscatory" Federal taxes were a major cause of the current economic slump. Teetor, spokesman for the Indiana State Chamber of Commerce, called for an immediate tax cut to check any further business downturn.

Hugh F. Hall of the American Farm Bureau Federation said Congress should replace reduction of the national debt ahead of tax reduction.

Jan. 9 -- Rep. Abraham J. Multer (D N.Y.) testified on 10 bills (HR 801-809, HR 2481) he introduced to "remove existing inequities in the U.S. tax structure." He also supported HR 5631, a bill to provide tax relief for small business.

RELATED DEVELOPMENT -- Jan. 6 -- The Kansas State Chamber of Commerce in a statement filed with the Committee, said the Government should not resort "to deficit financing in time of peace."

## COMMITTEE VACANCIES

Following is a list of seats on key committees left vacant by the death or resignation of 85th Congress Representatives. All vacancies listed are on House committees, or House membership on joint committees; no committee vacancies exist in the Senate.

Vacancies on the committees listed below probably will be filled by Members already serving on other committees. Their transfer will leave less highly prized committee posts to be filled by incoming Representatives.

### HOUSE COMMITTEES

Appropriations -- Democratic vacancy created by death of Henderson L. Lanham (D Ga.).

Armed Services -- Republican vacancy created by resignation of Sterling Cole (R N.Y.).

Education and Labor -- Democratic and GOP vacancies created by death of Augustine B. Kelley (D Pa.) and resignation of Samuel K. McConnell Jr. (R Pa.).

Government Operations -- Democratic vacancy created by resignation of Earl Chudoff (D Pa.).

Judiciary -- Democratic vacancy created by Chudoff's resignation.

Ways and Means -- Democratic vacancy created by death of Jere Cooper (D Tenn.).

### JOINT COMMITTEES

Atomic Energy -- GOP House vacancy created by Cole's resignation.

Economic -- Democratic House vacancy created by Kelley's death.

## Committee Briefs

### PUBLIC HOUSING

Gov. George M. Leader (D) of Pennsylvania Jan. 8 told the House Banking and Currency Housing Subcommittee Congress should approve a \$5 billion, 10-year program to eliminate the "national disgrace" of slums, and also appoint a study commission to review and modernize Federal housing programs. Continued Federal housing aid also was urged by Executive Director Ed Reid of the Alabama League of Municipalities and Mayor Anthony J. Celebrezze of Cleveland, Ohio. (1957 Almanac, p. 594)

### FEDERAL HIGHWAY PROGRAM

Secretary of Commerce Sinclair Weeks Jan. 8 told the Senate Public Works Public Roads Subcommittee the estimated cost of completing the 41,000-mile Interstate Highway System had increased \$10 billion since 1956 -- from \$27.6 billion to \$37.6 billion. He recommended that new apportionments of funds to the states be made on the basis of the new cost estimates. Weeks said he was not proposing any new revenue legislation "at this time." He opposed proposals to authorize additional Interstate mileage and renewed his appeals for regulation of billboard advertising along the system. (1956 Almanac, p. 398)

### RUSSIAN TALKS

Secretary of State John Foster Dulles, in a Jan. 8 briefing session with members of the House Foreign Relations Committee, said high-level talks with the Russians would be futile at present unless there were indications that words would be followed with performance. Reps. Wayne Hays (D Ohio), John L. Pilcher (D Ga.), and John M. Vorys (R Ohio), who attended the meetings, all indicated their agreement with Dulles' stand.

### FEDERAL SCHOLARSHIPS

President Emeritus Roscoe L. West of New Jersey State Teachers College, a spokesman for the American Council on Education, Jan. 8 said Federal scholarships should be "non-categorical and across-the-board." West told the House Education and Labor Special Education Subcommittee that if qualified students were provided for, many would go into science. The Administration Dec. 30 outlined a four-year education program including 10,000 annual scholarships. (Weekly Report, p. 26)

### MILITARY AVIATION

Stuart G. Tipton, president of the Air Transport Assn., Jan. 8 said both the aviation industry and national defense would be strengthened if the Military Air Transport Service (MATS) was limited to more specialized service and more military business was given to commercial airlines. Tipton, testifying before the House Government Operations Military Operations Subcommittee, said comparative flight costs indicated great savings also would result. He opposed an Air Force program, scheduled to begin March 1, bringing some commercial carriers into MATS operations. Tipton said it would only increase "MATS traffic moving in commercial operations."



# SEN. JOHNSON OUTLINES DEFENSE PROBLEMS, GOALS FOR DEMOCRATS

*Following is the text of a Jan. 7 statement by Senate Majority Leader Lyndon B. Johnson (D Texas), Chairman of the Senate Armed Services Preparedness Subcommittee, to a caucus of Democratic Senators on defense problems:*

For this preparation this morning, I shall divide my own remarks in two parts.

I shall, briefly, summarize certain of the findings which have been made thus far by the Senate Armed Services Preparedness Subcommittee. Other members of the Subcommittee will, in greater detail, deal with specific areas of the investigations.

In all candor, however, I cannot begin these remarks with a simple recapitulation of the work we have done. Illuminating as such might be, I realize -- as I know all members realize -- that we have, thus far, barely begun a work that will occupy and dominate the Congresses of free men for lifetimes to come. It is, therefore, of first importance that -- no matter how feeble our understanding -- we strive to establish perspective.

Our security may very well depend, above all else, on how well and how quickly we grasp such perspective.

Let us begin with this fact: the ground beneath us when we last met has been, largely, swept away. How much is gone, how much remains are questions no man can answer with authority.

The peril of the hour is obvious.

Less obvious, but of far greater importance, is the fact that beyond the peril lies a potential for peace that exceeds any ever before within man's reach.

Since Aug. 30, when the first session of this Congress adjourned, the human race itself -- without regard to flags or philosophy -- has multiplied its capabilities to infinity.

## WORLD THREATENED

The exploitation of these capabilities by men of selfish purpose holds the awful threat of a world in subjugation.

The mastery of such capabilities by men wholly dedicated to freedom presents, instead, the prospect of a world at last liberated from tyranny, liberated in fact from the fear of war.

What this Congress does will, at best, be only a small beginning on what must ultimately be done -- and will be done in decades and perhaps even centuries ahead. But, small as our effort may be in the long view of history, we can see that lack of sufficient effort on our part would be compounded throughout the ages ahead into a failure of tragic proportions.

We cannot, in the months of this session, assure the Nation's superiority: the era we have entered is too young, its ultimate dimensions too far beyond our vision, for us to anticipate so fruitful a result from our labors.

We can, however, by hesitation, by dissension, by narrow partisanship do much to build an insurmountable barrier about ourselves and perpetuate our relative inferiority.

Responsible men have no choice.

We must work as though no other Congress would ever have an opportunity to meet this challenge, for, in fact, none will have an opportunity comparable.

We must, furthermore, bring to this opportunity a freshness, an originality, a diligence far exceeding our previous standards, for many of the concepts, and ideas and rules which have applied to our actions in the past are no longer pertinent and applicable.

Let me expand this by dealing first with certain general facts which have been established in the short time of our hearings:

- 1. Our national potential exceeds our national performance.
- 2. Our science and technology has been, for some time, capable of many of the achievements displayed thus far by Soviet science.
- 3. That the Soviet achievements are tangible and visible, while ours are not, is a result of policy decisions made within the governments of the respective nations. It is not -- as yet, at least -- the result of any great relative superiority of one nation's science over the other's.

The heart of the matter then is the national policy of the two great world powers, for this fact stands higher than all others: we could have had what the Soviets have in the way of technical achievements if it had been the aim of our Government to employ our resources and capabilities in comparable pursuit of comparable goals.

From this, we deduce these matters of importance:

- First, it is obvious that the Soviet evaluation on the significance of control of outer space has exceeded that of our officials.
- Second, it is equally obvious that our valuation has been based on factors other than the fullest realization of our scientific capability.

In essence, the Soviet has appraised control of space as a goal of such consequence that achievement of such control has been made a first aim of national policy. We, on the other hand, have -- or so the evidence suggests -- regarded other goals and aims as having a higher imperative.

Which nation is correct?

If our policy is correct in the approach that has been taken, then the Soviet is ludicrously wrong, and some might dismiss the sputniks as playtoys.

If the Soviet policy is correct in its approach, however, then we face the judgment that our own position may be tragic.

At the root, this Congress must -- before it does much else -- decide which approach is correct. If the Soviet is wrong, then we would be wrong to undertake any sort of great acceleration solely to produce counterparts for the visible Soviet achievements. If the Soviet is correct, then we would again be wrong to limit our response to nothing more than a stride-for-stride matching of their progress.

From the evidence accumulated, we do know this: the evaluation of the importance of control of outer space made by us has not been based primarily on the judgment of men most qualified to make such an appraisal.

Our decisions, more often than not, have been made within the framework of the Government's annual budget. This control has, again and again, appeared and reappeared as the prime limitation upon our scientific advancement.

## TESTIMONY OF THE SCIENTISTS

Against this view, we now have on the record the appraisal of leaders in the field of science, respected men of unquestioned competence, whose valuation of what control of outer space means renders irrelevant the bookkeeping concerns of fiscal officers.

The testimony of the scientists is this:

Control of space means control of the world, far more certainly, far more totally than any control that has ever or could ever be achieved by weapons, or by troops of occupation.

From space, the masters of infinity would have the power to control the earth's weather, to cause drought and flood, to change the tides and raise the levels of the sea, to divert the Gulf stream and change temperate climates to frigid.

The meaning is, to my limited view, quite clear.

We have, for many years, been preoccupied with weapons.

We are, even now, concerned with what some currently regard as the ultimate weapon. But, when we perfect such a weapon for ourselves we may still be far behind.

The urgent race we are now in -- or which we must enter -- is not the race to perfect long-range ballistic missiles.

There is something more important than any ultimate weapon. That is the ultimate position -- the position of total control over earth lies somewhere out in space.

This is the future, the distant future, though not so distant as we may have thought. Whoever gains that ultimate position gains control, total control, over the earth, for purposes of tyranny or for the service of freedom.

Where do we now stand?

Let me summarize briefly the work of your Committee.

Our staff has spent more than 50 days in intensive preparation for hearings which now have filled nearly 3,000 pages of transcript. Thirty-four witnesses have been heard before the Committee. In addition, the staff has conducted 150 to 200 interviews with individuals concerned with the missile and satellite programs. Searching questionnaires have been sent to industrial organizations, leading scientists and engineers and leading educators.

An effective, comprehensive and important job has been done. Credit of the highest order is due each member of the Subcommittee of both parties. Seldom have I seen men work with greater dedication; the debt due them is great. Likewise, the effectiveness

and thoroughness of the Committee's work is a direct result of the splendid direction afforded by our counsel, Mr. Edwin L. Weist and his partner, Cyrus R. Vance. Mr. Weist and Mr. Vance are distinguished New York lawyers, members of the firm of Simpson, Thacher and Bartlett, and we are fortunate in securing their services.

From this Committee effort, the essential findings developed thus far are these:

The sputniks now orbiting around the earth are not military weapons, but have a military potential.

Whatever their military potential may be, the present significance of these satellites is this:

First, the Soviet ability to put satellites of this size in orbit indicates a rocket ability far beyond any capacity we have developed; and, second, the satellites have gathered for the Soviet vital information about outer space which we do not have and which is decisive for any nation seeking to enter the Space Age.

Our primary effort to put a satellite into the skies ended in humiliating failure. It is my opinion the humiliation could have been avoided; it was unfair to the dedicated scientists who are striving to do a difficult job and it reflected unnecessarily upon our scientific capabilities.

The people must have the truth, good or bad, but truth begins with perspective. It is not a proper perspective to reflect the responsibility for our lack of a satellite upon the men at work now in Florida. They are neither the source nor the cause of our failure.

#### OTHER SOVIET CAPABILITIES

Beyond the satellites, our Committee has learned facts in open sessions about Soviet capabilities which are far more disturbing in relation to our present security.

- First, the Soviets have almost as many army divisions as all the nations of the free world combined, and a great proportion are highly mechanized.

- Second, Soviet submarines now number 500, while ours total 110, and there is evidence that they have some with missile capability.

- Third, the Soviets are building 100 submarines annually, while we are building fewer than 10.

- Fourth, there is no certain evidence of a Soviet nuclear submarine. But they have launched an atomic ice-breaker, and nuclear submarines if not now in existence, will be soon.

In the field of the intercontinental and shorter-range missiles, the facts again are not comforting. The capacity to launch a one-half ton satellite is interpreted by our scientists as evidence of the capacity to launch an ICBM against our cities. Other problems than the problem of propulsion are involved, however. We cannot fully appraise Soviet capacity in this regard. The safe assumption is that they have solved or will solve such problems as remain.

In part the answers that have been given to the Committee are these:

1. Strengthen our Strategic Air Force, about which Senator Symington will tell you more;

2. Accelerate and expand our research and development programs;

3. Speed up the development and manufacture of the intermediate and intercontinental missiles now being worked on;

4. Strengthen our educational system;

5. Provide a top level nonservice-connected military planning staff for the Secretary of Defense;

6. Establish a new, advanced weapons development agency outside of the Defense Department to reduce the lead time in the production of new weapons -- which, incidentally, according to evidence presented at the hearings, is over twice as long as the lead time required by the Russians;

7. Streamline the decision-making process;

8. Accelerate the nuclear submarine program;

9. Eliminate all overtime limitations;

10. Increase cooperation with our Allies particularly in the exchange of information;

11. Build shelters and store food and machinery as a precaution against Russian attack;

12. Build as quickly as possible an early warning radar system capable of detecting missiles;

13. Increase our interchange of scientific information between the free nations; and

14. That we must begin to do all of these things with a strong sense of immediacy and urgency.

The question in your minds, I am sure, is whether or not there has been progress in actions taken during the past few weeks. I believe it is fair to say that some progress has been made since the inquiry began.

The President has named Dr. Killian as his personal scientific adviser. Also, the President has designated the Pentagon's special assistant on missiles as a "missile director," although in candor it must be said that it is difficult to define his powers.

The Secretary of Defense has been active:

1. He has removed the overtime restrictions.

2. He has restored research and development funds.

3. He has speeded up development and production schedules for missiles.

4. He has ordered both Jupiter and Thor into production.

5. He has reinstated a previously canceled launching pad for the Titan intercontinental missile.

6. He has established a new agency to develop advanced weapons.

7. He has ordered the Army into the satellite project.

These actions -- as all, I am sure, will agree -- constitute only a beginning of what eventually must be done. We can hope that the rate of acceleration will be adequate to the great challenge before us.

Our problems have been listed. The suggestions about our future course have been listed. The actions taken have been listed. All of these relate to matters which are, essentially, military in character.

#### A STRONG COUNTRY

It is fundamental, I believe, that however urgent these military problems may be we are faced with the unchanging problem of building a strong country, not a strong military force alone.

In this perspective, we cannot ignore the problem of three to four million unemployed workers.

We cannot ignore the grave problems of our farmers.

We cannot ignore the problems of our school children.

We cannot ignore the problem of housing.

We cannot ignore the problem of credit.

We cannot ignore the soft spots in our economy which are bringing some of our most vital industries into a difficult and troublesome climate.

We cannot ignore the growing problems of small business.

We cannot ignore the issue of conserving our natural resources.

These problems -- and many more -- must occupy our attention, and it becomes all the more imperative that we seek and reach answers of lasting durability for the road ahead.

One final question, the most important of all: where do we go? What should be our goal?

If, out in space, there is the ultimate position -- from which total control of the earth may be exercised -- then our national goal and the goal of all free men must be to win and hold that position.

Obviously, attainment of that goal is no overnight thing. It may not come within our lifetime. Until it does, we must continue to have weapons -- but we must recognize both their limits and their potentially short life.

With weapons, whatever their form, our ultimate gain is likely to be stalemate -- such as we have had during the atomic age. But our position must remain flexible. We must forego a fixation on weapons as the ultimate of security. For, if we do not, we may build the Space Age's first -- and last -- Maginot Line.

Total security perhaps is possible now, for the first time in man's history. Total security -- and, with it, total peace. This potential we must not underestimate.

Within the short weeks since Oct. 4, man has become master of horizons far beyond our imagination. We must respect this mastery, and from that respect we must, more than ever, seek to bring all men together in cooperative effort. The goals now within reach of the human race are too great to be divided as spoils, too great for the world to waste its efforts in a blind race between competitive nations. The conference table is more important now than it ever has been, and we should welcome to its chairs all men of all nations.

(State of the Union, Continued from p. 31)

7.

#### SPENDING AND SAVING

Seventh: To provide for this extra effort for security, we must apply stern tests of priority to other expenditures, both military and civilian.

This extra effort involves, most immediately, the need for a supplemental defense appropriation of \$1.3 billion for fiscal year 1958.

In the 1959 budget, increased expenditures for missiles, nuclear ships, atomic energy, research and development, science and education, a special contingency fund to deal with possible new technological discoveries, and increases in pay and incentives to obtain and retain competent manpower add up to a total increase over the comparable figures in the 1957 budget of about \$4 billion.

I believe that, in spite of these necessary increases, we should strive to finance the 1959 security effort out of expected revenues. While we now believe that expected revenues and expenditures will roughly balance, our real purpose will be to achieve adequate security, but always with the utmost regard for efficiency and careful management.

This purpose will require the cooperation of Congress in making careful analysis of estimates presented, reducing expenditure on less essential military programs and installations, postponing some new civilian programs, transferring some to the states and curtailing or eliminating others.

Such related matters as the national debt ceiling and tax revenues will be dealt with in later messages.

8.

#### WORKS OF PEACE

My last call for action is not primarily addressed to the Congress and people of the United States. Rather, it is a message from the people of the United States to all other people, especially those of the Soviet Union.

This is the spirit of what we would like to say:

"In the last analysis, there is only one solution to the grim problems that lie ahead. The world must stop the present plunge toward more and more destructive weapons of war, and turn the corner that will start our steps firmly on the path toward lasting peace.

"Our greatest hope for success lies in a universal fact: the people of the world, as people, have always wanted peace and want peace now.

"The problem, then, is to find a way of translating this universal desire into action.

"This will require more than words of peace. It requires works of peace."

Now, may I try to give you some concrete examples of the kind of works of peace that might make a beginning in the new direction.

For a start our people should learn to know each other better. Recent negotiations in Washington have provided a basis in principle for greater freedom of communication and exchange of people. I urge the Soviet government to cooperate in turning principle into practice by prompt and tangible actions that will break down the unnatural barriers that have blocked the flow of thought and understanding between our people.

Another kind of work of peace is cooperation on projects of human welfare. For example, we now have it within our power to eradicate from the face of the earth that age-old scourge of mankind: malaria. We are embarking with other nations in an all-out five-year campaign to blot out this curse forever. We invite the Soviets to join with us in this great work of humanity.

Indeed, we would be willing to pool our efforts with the Soviets in other campaigns against the diseases that are the common enemy of all mortals -- such as cancer and heart disease.

If people can get together on such projects, is it not possible that we could then go on to a full-scale cooperative program of Science for Peace?

We have as a guide and inspiration the success of our Atoms-for-Peace proposal, which in only a few years, under United

Nations auspices, became a reality in the International Atomic Energy Agency.

A program of Science for Peace might provide a means of funneling into one place the results of research from scientists everywhere and from there making it available to all parts of the world.

There is almost no limit to the human betterment that could result from such cooperation. Hunger and disease could increasingly be driven from the earth. The age-old dream of a good life for all could, at long last, be translated into reality.

But of all the works of peace, none is more needed now than a real first step toward disarmament.

Last August the United Nations General Assembly, by an overwhelming vote, approved a disarmament plan that we and our allies sincerely believed to be fair and practical. The Soviets have rejected both the plan, and the negotiating procedure set up by the United Nations. As a result, negotiation on this supremely important issue is now at a standstill.

But the world cannot afford to stand still on disarmament! We must never give up the search for a basis of agreement.

Our allies from time to time develop differing ideas on how to proceed. We must concert these convictions among ourselves. Thereafter, any reasonable proposal that holds promise for disarmament and reduction of tension must be heard, discussed and, if possible, negotiated.

But a disarmament proposal, to hold real promise, must at the minimum have one feature: reliable means to ensure compliance by all. It takes actions and demonstrated integrity on both sides to create and sustain confidence. And confidence in a genuine disarmament agreement is vital, not only to the signers of the agreement, but also to the millions of people all over the world who are weary of tensions and armaments.

I say once more, to all peoples, that we will always go the extra mile with anyone on earth if it will bring us nearer a genuine peace.

#### CONCLUSION

These, then, are the ways in which we must funnel our energies more efficiently into the task of advancing security and peace.

These actions demand and expect two things of the American people: sacrifice, and a high degree of understanding. For sacrifice to be effective it must be intelligent. Sacrifice must be made for the right purpose and in the right place -- even if that place happens to come close to home!

After all, it is no good demanding sacrifice in general terms one day, and the next day, for local reasons, opposing the elimination of some unneeded Federal facility.

It is pointless to condemn Federal spending in general, and the next moment condemn just as strongly an effort to reduce the particular Federal grant that touches one's own interest.

And it makes no sense whatever to spend additional billions on military strength to deter a potential danger, and then, by cutting aid and trade programs, let the world succumb to a present danger in economic guise.

My friends of the Congress: the world is waiting to see how wisely and decisively a free representative government will now act.

I believe that this Congress possesses and will display the wisdom promptly to do its part in translating into law the actions demanded by our Nation's interests. But, to make law effective, our kind of government needs the full voluntary support of millions of Americans for these actions.

I am fully confident that the response of the Congress and of the American people will make this time of test a time of honor. Mankind then will see more clearly than ever that the future belongs, not to the concept of the regimented atheistic state, but to the people -- the God-fearing, peace-loving people of all the world.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,

January 9, 1958.

# Congressional Quiz

## ARMED SERVICES UNITY

Charges that interservice rivalry has retarded the Nation's missile development program have led to demands for increased unification of the armed forces. What do you know about past and present unification efforts? Four correct answers will give you an expert's rating.

1. Q--Congress took the first major step toward military unification when it created the National Military Establishment, consisting of the Departments of the Army, Navy and Air Force, and headed by a Secretary of Defense. In what year did it take this action: (a) 1940; (b) 1955; (c) 1947; (d) 1951?

A--(c). The National Security Act was enacted July 26, 1947. The law was amended in 1949 to replace the National Military Establishment with the Department of Defense. The last major changes in Defense Department organization took place in 1953.

2. Q--The Joint Chiefs of Staff are the principal military advisers to the President, the National Security Council and the Secretary of Defense. Which of the following is not a member of the Joint Chiefs: (a) Nathan F. Twining; (b) Thomas D. White; (c) Maxwell D. Taylor; (d) Arleigh A. Burke; (e) Lauris Norstad?

A--(e). Gen. Norstad is Supreme Commander of Allied Forces in Europe. Twining, an Air Force general, is chairman of the Joint Chiefs; Gen. White is Air Force Chief of Staff; Gen. Taylor is

Army Chief of Staff. Adm. Burke is Chief of Naval Operations. In addition, Gen. Randolph McC. Pate, Marine Corps commandant, sits with the Joint Chiefs when they are considering Marine Corps matters.

3. Q--True or false: President Eisenhower has consistently opposed armed forces unification.

A--False. In 1945, Gen. Eisenhower said that "if I had my way" American servicemen "would all be in the same uniform." As the Republican Presidential candidate in 1952 he scored the failure to achieve unification, and upon taking office in 1953 he brought about some changes in Defense Department organization.

4. Q--Who was the first Secretary of Defense: (a) Robert Patterson; (b) James V. Forrestal; (c) George C. Marshall?

A--(b) Forrestal served as Defense Secretary in the years 1947-49.

5. Q--True or false: President Eisenhower has appointed James R. Killian Jr. to head a new Advance Research Projects Agency.

A--False. Killian, president of Massachusetts Institute of Technology, recently was named Special Assistant to the President for Science and Technology. The Advance Research Projects Agency, soon to be established within the Defense Department, will direct research on missiles, satellites and other space projects.

*Check your Congressional Quarterly Almanacs for additional details and background information on the news of Congress appearing in the Weekly Reports. Published since 1944, the CQ Almanac is fully indexed and cross referenced.*



# The Week In Congress

## State of the Union

An eight-point "safety through strength" program was outlined by President Eisenhower in his annual State of the Union message. He called on the military to end "harmful service rivalries" and asked for continuation and strengthening of the mutual security program. Mr. Eisenhower said the latter was "no 'give-away'.... We cannot afford to have one of our most essential security programs shot down with a slogan." The President also asked for legislation to permit the sharing of atomic secrets with friendly allies. (Page 29)

## Democratic Goals

A tone of crisis and urgency was set by Senate Democratic Leader Lyndon B. Johnson when he reported to fellow Democrats on the results of his Preparedness Subcommittee's hearings. He stressed the need to control outer space as "the ultimate position -- the position of total control over earth." Earlier, Johnson said Congress also would have to work on the problems of unemployment, small business failures, the rising cost of living and other domestic issues. Congress' agenda appeared no less urgent to House Speaker Sam Rayburn, who said he looked "for a very heavy session." (Page 40, 46)

## Rockefeller Report

A report that the United States was "rapidly losing its lead over the USSR in the military race" was released by the Special Studies Project of the Rockefeller Brothers Fund Inc. The group urged increased defense spending of \$3 billion annually and a revamping of all operational military forces into unified commands. It also backed the pooling of scientific and technical know-how with NATO allies. The report said it was "emphatically not too late" to regain the lead over Russia but that a "big effort" would be required. (Page 41)

## Lobby Forecast

Congress' determination to give top priority in 1958 to improving the U.S. scientific and military position has swept many pressure group projects to the background. Among the issues that were expected to pay off in 1958 but which are now in jeopardy are the natural gas act, broader minimum wage coverage, small business aid and liberalized social security benefits. Many of these issues will simply be ignored by a Congress preoccupied with national defense. But there's one issue the lawmakers can't ignore -- foreign trade. (Page 34)

## General Alarm

The Army's research and development chief, Lt. Gen. Gavin, threw the Senate missile inquiry into an uproar when he ascribed his decision to retire on Army red tape, and said his promotion had been blocked following earlier testimony criticizing the Defense Department's missile program. Testimony of other high-ranking officers backed up the General's story of futile requests for accelerated programs and additional funds. (Page 44)

## Gas Pressure

The twice-vetoed natural gas bill is due to come up before Congress again next month with the forces of 5,000-odd independent producers battling against those of 27 million consumers. The central issue hasn't changed since 1950 when President Truman vetoed a similar bill -- the producers would like complete freedom to set their own prices while the consumers want utility-type regulation. Consumers say the cost of local gas service would rise \$1 billion a year if the producers got their way. Lobbying on the bill is expected to be more reserved than it was in 1956 when the President vetoed the bill due to what he called "arrogant lobbying." (Page 38)

## Mills and Taxes

Arkansas Democrat Wilbur D. Mills has ascended to the powerful position of Chairman of the House Ways and Means Committee as a result of the death of Rep. Jere Cooper. With the reconvening of Congress, Mills and his Committee have begun an investigation of loopholes in tax laws. In the first days of the hearings, the group heard small businessmen call for tax cuts to help check the current economic slump. (Page 42, 45)